

The Weather

New York City and vicinity: Mostly cloudy. Chance of rain. Highest temperature near 70. Moderate southerly winds. Yesterday's temperature range to 9 p.m.: High 63, low 49.

THE WALL STREET JOURNAL.

Copyright 1957 by Dow Jones & Company, Inc.

VOL. CL. NO. 64

★ ★

NEW YORK, MONDAY, SEPTEMBER 30, 1957

Entered as Second Class Matter at the Post Office, New York, N.Y.

10 CENTS U.S. Territories and possessions

Fiscal Reversal?

Transfer of Some U.S. Jobs to States Will Be Blueprinted This Week

Joint Unit Will Urge States Pay for Old-Age, Disaster Aid, Take Over Some Taxes

A Carrot for the Donkey

BY ALAN L. OTTEN
Staff Reporter of THE WALL STREET JOURNAL
WASHINGTON—This week in Chicago, a group of top Federal and state officials will try to begin reversing a major fiscal trend of the past quarter-century: The habit of state and local governments to turn to the Federal Treasury for help.

The group, headed by Treasury Secretary Robert B. Anderson and New Hampshire Governor Lane Dwinell, expects to reach hard and fast recommendations on a number of Federal spending programs which the states should start taking over. At the same time, the conferees expect to agree on a group of Federal taxes which can be surrendered to help states and cities finance their added spending load.

If all goes according to plan, the group, which meets at Chicago's Blackstone Hotel Thursday and Friday, will recommend that the states start taking over immediately all or part of these Federal programs for aiding states and cities: School lunch, natural disaster relief, vocational education, old-age assistance and water pollution abatement.

Bowling and Billiards

The group also will suggest that the Federal Government should turn over to either states or cities—or both—these tax fields: Local telephone service, theatre tickets and other admissions, cabaret and roof garden bills, club dues and initiation fees, use of coin-operated amusement devices, leases of safe deposit boxes, and use of bowling alleys and billiard and pool tables.

In all, the Federal spending now tabbed for state takeover would run around \$400 million a year. The taxes to be surrendered would bring in around \$540 million.

"The little bit extra on the tax side is needed to encourage the states," says one Federal official working on the problem. "It's like holding a carrot out in front of the donkey."

"These changes still are pretty small potatoes," concedes John H. Stambaugh, vice chancellor of Vanderbilt University who is serving as executive director of the Federal share of the work. "But this is just an initial exercise. The group will continue working. The idea is to set an example—to start with small doses, get that accepted, and show that the whole process of turning back the clock in this field isn't as painful as some people say it is."

Won't Be Automatic

It's true that some Washington officials take a guarded view of the prospects for agreement at Chicago. They indicate the Federal conferees are pretty well agreed, but fear there'll be something less than wholehearted unanimity on the state side. Still, some positive result is expected.

Of course, even if this group of Federal and state officials reaches agreement this week, the changes won't follow automatically. Other governors besides the nine on the Federal-state committee will have to act on the recommendations; though such men as Democratic Gov. Daniel of Texas and Republican Gov. Stratton of Illinois are strong for trimming Federal functions, Northern Democrats such as Gov. Harriman of New York and Gov. Williams of Michigan seem equally firmly opposed.

Today a House Government Operations subcommittee headed by North Carolina's Democratic Rep. Fountain sets out on "round-the-country" hearings to get views of state and local officials on taking over some Federal tasks. In any case, Congress and the state legislatures must act, and strong resistance is expected from some lawmakers.

Nonetheless, any agreement by the Federal-state group would represent the biggest step yet taken toward transferring some Federal functions to the states.

"Up until now, there's been a lot of talk and a lot of studies," declares Mr. Stambaugh. "We're not making any big, time-consuming studies. We're down to the specifics of what spending programs and what tax programs can be given up by the Federal Government."

Report in December

If, as expected, the group reaches agreement this week, its recommendations will be embodied in "an initial report" around December 1. The idea is to have the report ready in time for Mr. Eisenhower to include its recommendations in his January messages to Congress. The December 1 date also should permit the report to be put before the executive committee of the Governors' Conference when it meets in Hot Springs, Ark., December 5 and 6, so that governors can include appropriate recommendations in messages to state legislatures next year.

"Of course, the Budget Bureau and Treasury will have to go over the recommendations again," says a Federal official working with the task force, "but there's every indication that these recommendations will be made the official Administration policy and sent to Congress."

Following that, there'll probably be a follow-up campaign by the President and key governors to overcome expected opposition from unions and "liberal" groups and from spokesmen for some large cities and some poorer states. "People have been shouting states' rights," says one official. "Now we'll give them a chance to act on states' rights principles. We have to make these changes as difficult to oppose as the flag and motherhood."

Federal grants to state and local governments date back to the Civil War, when the U. S. helped set up land-grant colleges. But the trend really has ballooned since the mid-1930's. Federal grants have jumped from \$126 million in 1934 to an expected \$5 billion or so in the fiscal year that began in July.

Right now, the Federal Government provides grants for some 50 programs, including unemployment compensation, health research, Please Turn to Page 10, Column 1

What's News—

Business and Finance

GENERAL ELECTRIC will lay off 2,000 employees at its aircraft gas turbine division near Cincinnati in the next several months. It ascribed the cutback to a drop in military business. Pentagon economy moves also are causing Grumman Aircraft, Bethpage, N.Y., to let out about 500 of its personnel—a 3% reduction.

In Birmingham, Ala., U. S. Steel's Tennessee Coal & Iron division is laying off 1,500 workers, blaming a lag in orders. At Fontana, Calif., Kaiser Steel Corp. furloughed 600 men for a week because of ingot shortages stemming from a labor dispute. On the other hand, General Motors Corp. started recalling 28,000 employees who had been idled as a result of strikes—now settled—at Fisher Body division plants in Marion, Ind., and Mansfield, Ohio.

Standard Oil Co. (New Jersey) plans one of the largest pieces of equity financing in history. It intends to offer \$250 million to \$300 million additional shares to its stockholders later this year. Proceeds of the proposed financing, the company said, will enable it to continue the large expenditures for capital equipment and oil exploration that have been in progress since the close of World War II. Outlays of this kind for 1957 were estimated at \$1.2 billion.

Steel producers say incoming orders as yet have failed to pick up satisfactorily from the summer doldrums. But they are counting on a fourth quarter upturn that will lift 1957 production above last year's 115 million tons and close to the record output of 117 million tons in 1955. A poll of research executives of more than a dozen big steel companies brought predictions of fourth quarter operations averaging 86.5%. That's nearly six points above the third quarter average.

Structural steel orders continued to decline in August, falling to the lowest level since autumn, 1953. Bookings for the first eight months were 23% below the like 1956 period. Checks with steel makers and fabricators indicate curtailed construction of industrial plants is the main reason for the drop.

Purchasing agents evince "renewed optimism that fourth quarter business will match earlier predictions," their trade association reported. Of the agents contacted in its September survey, 32% looked for an increase in production during the final three months of the year, 46% said volume would hold at current levels, while only 22% predicted declines. On new orders, 36% anticipated a pickup, 44% felt bookings would remain on an even keel, 20% envisaged decreases.

Rail freight traffic in the final quarter this year will slip 2.1% below the like 1956 period. That's the consensus of 13 regional advisory boards, consisting of 26,000 shippers and receivers of goods throughout the U.S. Declines from a year ago are foreseen for 17 key commodities, including drops of 12.8% in loadings of autos and trucks and of 7.8% for iron and steel.

American Motors Corp. is dropping the Nash and Hudson brand names on its 1958 lines and will market all its U. S.-built cars under the Rambler name. Its largest car—a new series called Ambassador V-8—will have a 117-inch wheelbase, compared with 121 inches for Nash and Hudson '57 models.

Company Notes—

Allegheny Corp.—A three-judge Federal Court in New York ruled that the order of the Interstate Commerce Commission in 1955 authorizing the company to issue new 6% \$100 par convertible preferred should be set aside.

Illinois Bell Telephone—Construction and equipment outlays will reach \$150 million this year and will continue "through 1958 at somewhere near the same level," said W. V. Kahler, president.

Markets—

Industrials sold off from earlier highs in Friday's late dealings on the New York Stock Exchange. Pivotal issues were unsettled by heavy selling of Standard Oil Co. (New Jersey) on news that the company plans to offer \$250 million to \$300 million additional common shares later this year. After reaching an inter-day high of 462.40, Dow-Jones industrials closed at 456.89, off 0.02%. Ralls retained most of their morning gains, ending at 124.12, up 0.02%. Utilities advanced 0.22% to 66.88. Transactions decreased to 1,750,000 shares, from 2,130,000 Thursday. London—Financial Times common share index 182.2, off 0.5.

Bonds—Volume \$3,660,000. Dow-Jones 40 bonds 84.86, off 0.08; high grade rails 84.73, up 0.06; speculative rails 82.80, up 0.11; utilities 84.23, up 0.03; industrials 87.89, off 0.51.

Commodities—Dow-Jones futures index 154.87, off 0.02; spot index 160.14, up 0.35.

Earnings—
Quarter Aug. 31: 1957 1956
Beatrice Foods \$1,633,241 \$1,531,488 8.75 ct. 7.50 ct.
Mueler Bros. 342,438 365,384 41 1.01
9 mos. Aug. 31:
Aves Mfg. Corp. 8,586,374 60,498,320 32
H. W. Gossett Co. 354,268 293,313 1.33 1.38
c-on present shares, 6-Net loss
(Today's Index on Page 2)

World-Wide

WILLIAM A. LEE of Chicago announced his candidacy for Teamsters president.

The vice president said he wants to "restore the good name of the Teamsters" and pledged to "do everything in my power to keep the union in the A.F.L.-C.I.O." Three others also are running against James Hoffa, who appears to have the post all but clinched. The union's convention opens today in Miami Beach with voting scheduled for either Thursday or Friday.

In Washington, attorneys for 12 rank-and-file New York Teamsters said they will carry their efforts to block Hoffa's election to the Supreme Court if necessary. The U. S. Court of Appeals ruled Saturday the union could go ahead with the election but could count votes only from delegates selected according to the Teamsters constitution.

Hoffa did not seem worried about the legal maneuvering. He confidently predicted a first-ballot victory. If he is elected, it may take months before court proceedings permit him to take office.

Labor Secretary Mitchell told a TV audience that if Hoffa is elected and fails to clean up the Teamsters, the Administration may ask Congress for Government supervision over union elections. He added it would be "much more severe than if labor cleans it own house."

The Senate rackets committee closed its investigation of Hoffa with charges that he manipulated union funds for his personal benefit. Chairman McClellan said the committee will look into the affairs of Nathan Shefferman, a friend of Dave Beck and a Chicago consultant to employers on labor relations. The hearings will begin October 16 or 23.

FAUBUS WAS REPORTED ready to call a special session of the Arkansas legislature.

The purpose of a special session would be to get rid of Federal paratroopers enforcing integration at Central High School. He reportedly is considering a plan to withdraw state funds from the school and reopening it under "private sponsorship."

Faubus said the main idea of turning Central into a private school is to make the troops leave. But it also means nine Negroes could be thrown out of the school. A 10th Negro is due to begin classes today.

The campus was quiet yesterday with only a handful of paratroopers standing guard. But the Army is concerned about potential trouble today when the Arkansas Livestock Exposition opens in Little Rock. As many as 223,000 people have attended the six-day show in past years.

Arkansas editor Harry Ashmore, described by Faubus as an "ardent integrationist," said he thought the next development would be Federal action against anti-integration leaders. He told a TV audience the apparent solution lies in maintaining "order by force until the time when the mob cannot form or reform because its leaders are in jail or under bond."

The Army will eliminate an armored division and 14 air defense battalions as part of the Pentagon's economy campaign. The Army said it will cut its manpower by 71,000 by January 1 and an additional 28,000 by next June 30 to bring its overall strength down by 100,000 by the latter date. One armored combat command of 5,000 men will be substituted for two armored divisions in the U. S. totaling 14,600 men each.

Extreme left Communists and extreme right Poujadists, sworn political enemies, will stand together today in an attempt to oust French Premier Bourges-Maunoury, who has asked for a vote of confidence on his bill giving Algeria partial home rule. Poujadists claim the plan gives Algerians too much power and the Communists assert Algeria should be given complete independence now.

The U.N. Disarmament Commission will meet today with the West prepared to take a strong stand that nuclear tests should not be halted until there is agreement on other disarmament steps. Britain, Canada, France and the U. S. are expected to reiterate disarmament proposals presented in London talks.

West German army officers are in a state of near revolt against Defense Minister Franz Josef Strauss because of the way he summarily sacked a general, senior officers reported. The general was removed from his post as military personnel chief last week with an explanation that "civilian authority must prevail in all military questions."

The President will end his much-interrupted 27-day vacation at Newport, R. I., by flying back to Washington this afternoon with Mrs. Eisenhower. The first major business facing him will be a conference with Southern governors tomorrow on school integration.

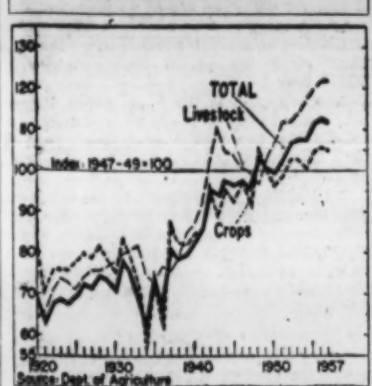
Guillermo Patricio Kelly, strong arm man for ousted Argentine dictator Peron, disguised himself as a woman and escaped from a Santiago, Chile, prison. Kelly, who broke jail two years ago, was being held for extradition to Argentina as a common criminal.

The Veterans Administration said it has discovered a new anti-coagulant that may be of value in lessening the danger of blood clots in the circulatory system. Drugs now used in heart and blood vessel diseases can cause undesirable reactions unless rigid precautions are taken. The V.A. said its new substance may not produce these reactions.

Radio Moscow reported Russia has begun construction of the world's first full-scale solar power station in Armenia. The broadcast said 1,300 mirrors will reflect the sun's rays and bring water in a cauldron to boiling point, with the steam operating a turbine.

Many people who think they are suffering from Asiatic flu really have nothing worse than a hangover, a British medical writer wrote in the Sunday Express. "People only have to wake up in the morning with a slight headache," he suggested, "and they say 'I've got it.'"

Farm Production



OUTPUT of this country's farms, based on conditions as of September 1, is expected to be at or near record levels this year. Total output is forecast at 112% of the 1947-49 average, just below the record 113% in 1956. Crop production, forecast at 105%, would compare with a high of 106% last year. Livestock output is expected to stay at last year's level, 122% of the 1947-49 average.

Pencil Makers Meet Sharp Competition With Special Items

Products Mark X-Ray Plates, Color Photos, Put Green Eyebrows on Chorus Girls

BY DAVE R. JONES

Staff Reporter of THE WALL STREET JOURNAL

NEW YORK—Green eyebrows for chorus girls and notations on X-ray plates.

Those are only two of the unlikely items being pushed these days by the nation's spunky pencil industry in its running battle with the machine age.

Fully aware that mechanical devices such as the typewriter and ballpoint pen are threatening to whittle away at their future existence, pencil makers now are turning with sharpened interest to special purpose products. Pencil peddlers proclaim a strong swing to exotic writing sticks is under way, with interesting results for the pencil-buying public.

To hear their story, visit slim Clyde T. Nissen, executive vice president of the Lead Pencil Manufacturers' Association, in a cluttered office high across the street from Manhattan's Grand Central Station. Mustached Mr. Nissen is an ardent advocate for the 16 small firms that grind out 1.5 billion pencils annually to keep Americans scribbling.

Special Pencils for Special Jobs

"People already use about nine pencils per capita each year," Mr. Nissen says, peering out from behind a desk loaded with 43 writing sticks. "We can't ask them to use pencils faster, or to break them in half and buy more. So we're trying to increase sales with specialized pencils for particular jobs."

A pencil, of course, is one of those common items most folks take for granted but are loathe to be without. General Motors pencil sharpeners grind up over 3.5 million of the writing rods each year, and Du Pont scribbles away some 1.5 million black lead pencils annually. Uncle Sam, probably the world's largest single pencil purchaser, buys well over 60 million pencils a year. The New York Stock Exchange wears out nearly one million in the same time.

Pencil makers are not suffering any sales decline, to be sure. Last year the industry shipped over 1.5 billion wood-cased sticks. This amounted to nearly \$24 million worth of pencils, about twice the value of those shipped in 1941. It also was close to the record 1.6 billion shipped in 1947 when European production had been halted and the U. S. was supplying the world market.

Sales of specialty writing sticks boomed from about 176 million in 1952 to over 264 million in 1956, Mr. Nissen says, which means they accounted for almost half of the increase in total pencil sales between those years. Special purpose pencils comprised over 17% of the total market last year compared with about 13% in 1952. In addition to eyebrow and X-ray pencils, special purpose items include such products as colored pencils and invisible pencils.

Nevertheless, pencil makers know competitive devices are siphoning the top off their potential market. "We've got to open up new horizons," says Mr. Nissen, "and the special purpose pencil is where our future lies."

Specialties Bring Premium

What's more, specialty items are premium products. While regular pencils normally retail for 10 cents each, an exotic brand usually commands 25 cents and some technical pencils sell for a spectacular \$5. This spells not only higher dollar volume, but a wider profit margin as well.

Businessmen, in turn, are looking for pencil men that can help solve their problems. Eastman Kodak Co., for instance, recently found a series of turquoise pencils produced by New York's Eagle Pencil Co. are ideal for retouching certain color negatives. Steinm in Bowling Supply Co. of Chicago also had Eagle Pencil develop a new wood-cased pencil to replace the easily-broken wax crayon generally used in bowling alleys.

Pencil firms suffer some defeats, too. Several companies have failed in attempts to develop a pencil whose mark will change color when subjected to varying degrees of atomic radiation. One concern had over two million eyebrow pencils turned back when a protective plastic top it had developed reacted chemically with the pencil and couldn't be removed.

Nobody knows for sure what the potential is, but it could reach one-third of the total pencil volume, according to Oscar E. Weissenborn, president of General Pencil Co., Jersey City, N. J. Sales of exotic writing sticks in the last five years have more than doubled at Joseph Dixon Crucible Co., Jersey City, N. J., and may double again in the next five years, Frank G. Atkinson, president, reports. Pencil manufacturers already are cheering.

Please Turn to Page 17, Column 3

The Outlook

Appraisal of Current Trends In Business and Finance

While some speakers at the joint annual meeting of the International Bank and Monetary Fund the past week were sounding warnings against inflation, Per Jacobsson, managing director of the Fund, pointed to conflicting forces. "There are," he said, "some signs that inflation may no longer be dominating the entire economic trend."

Such signs, which have been mentioned here in recent weeks, are pretty well summarized in the Government's daily index of wholesale prices of sensitive commodities, which is at its lowest level in four years. It has fallen to 86% of the 1947-49 average, from as high as 135% of that average in the speculative Korean war boom of 1950-51. This decline has not only wiped out that Korean excess, but has also cut off part of the inflation of World War II and the years just after.

At the same time, however, the cost-of-living index for August, out a couple of days ago, showed the twelfth consecutive monthly rise to a new record high. This contrast, which at first sight may give the impression that one of these indexes must be wrong, actually portrays the difference between primary raw materials and finished goods. Raw commodities in increasing numbers show price weakness reflecting over-supply, while finished goods keep going up in price because of a pyramiding of processing and service costs.

Nor is the contrast a localized one affecting only the United States. At the Bank and Fund meetings, representatives of "under-developed" nations, which are those that generally produce raw materials and buy finished goods, based their pleas for financial aid in part on the contrast, which is forcing them to sell for less and buy at higher prices. In Latin America, said Mr. Jacobsson, he was "asked how it is possible for . . . the falling prices of wool, copper, lead and zinc, and the weakness on the stock exchanges, to be reconciled with the idea of a persistent inflationary boom."

This situation poses acutely the question of which trend is going to prevail, and, if the downturn prevails, at what point the Federal Reserve Board's anti-inflationary policies are going to be relaxed. That no immediate change in the policy is in sight was re-emphasized at one of the Bank and Fund meetings when Reserve Chairman Martin repeated his warning that inflation must be fought because it leads ultimately to serious deflation.

As to which trend is going to prevail no prediction can be made, of course. The weakness of raw commodities resembles the normal, traditional post-war deflation of the past, in that it stems from the production increases stimulated by special wartime and post-war boom demands. In the present post-war period the build-up of supply sources was intensified by governmental hoarding and price-support schemes over much of the world, but these artificialities are now going the way of the other war-induced demands.

On the other hand, rapid industrialization characterizes not merely the United States and one or two European countries but increasing portions of the populated world, and it sustains both the demand for raw commodities and the need for workers, whose pay is the principal factor in rising costs. Thus the post-war deflation, if that is what we are seeing, could be unusually mild.

In any case, it looks as if the Reserve Board's anti-inflation policies will be relaxed only in one or more of three contingencies. One of these would be a self-generated growth in the money supply so substantial that it would put money rates down, forcing the Board to follow suit. Another would be a declining trend in the cost-of-living index. A third would be an appreciable downturn in overall business, following its steady course of the past year. Regardless of whether these could occur separately or would come together, we can examine briefly the forces now visible in each.

Regarding money and credit, the evidence is growing that the trend is towards an easier situation. Bankers interviewed in this paper a few days ago said demand for credit has slackened, and since then further evidence to support them has come in the news of a one week decline in business loans exceeding \$100 million, at a time when the seasonal trend of borrowings is up. At the same time, Government statistics show the rate of new savings close to record levels. While there is no sign now of lower interest rates, these would follow continuation of such trends as the day follows.

A sustained decline in the cost of living is not so easy to foresee. Not only has it stood up against real weakness in raw materials during recent months, but there are numerous factors of future strength still left among groups of workers who have not fully shared the "benefits" of inflation. Medical services, including those of nurses and doctors and hospital care, probably have yet to catch up, especially in the case of hospitals where a new wing is likely to cost more than the whole hospital did originally.

The cost of education, especially the pay of teachers, is likely to rise further. Transportation is getting more expensive, with air travel fares—a very long lagged demand—about to go up. Communications also will probably get more expensive, beginning perhaps with postal rates. And local taxes doubtless have not seen their peak.

The trend of business, too, is difficult to gauge just now. Orders for machine tools are declining and their production is bound to fall off, hinting a similar downturn for all expenditures on plants and equipment, now still at record highs—but no longer climbing. Freight car loadings in the miscellaneous class—reflecting mostly industrial shipments of finished goods—are weak, off more than 12% from both 1956 and 1955 in the latest week.

On the other hand, the 1955-57 declines in housing construction and auto sales seem to have stopped. And paperboard orders, which like miscellaneous freight reflect industrial consumer goods activity, have been firm lately. Thus the questions regarding the course of business are more numerous than for some years, and the answers less so.

GEORGE SHEA

Army in Arkansas

Governor's Maneuvers

Threaten New Turmoil, Prolong Troops' Stay

Faubus Listens to Extremists, May Call State Legislature Into Special Session

Governor's Political Paradox

BY HENRY GEMMILL AND JOSEPH GUILFOYLE

Staff Reporters of THE WALL STREET JOURNAL
LITTLE ROCK—Arkansas faces the threat of another crisis that may prolong the "occupation" by Federal troops much longer than originally planned.

The soldiers aren't likely to depart quickly because Governor Orval Faubus gives every evidence of beginning a new phase of resistance to Federal authority. He is conferring with the fervent segregationists (though still contending he is not one of them); he is talking up the idea of a special session of the legislature (while remarking he has "not yet" decided to call one) and he is musing out loud that it would be "pleasant" to close Central High School.

Any new state tampering with the Little Rock school system almost certainly will be thrown back into the Federal courtroom where Judge Ronald Davies is "keeping the main track clear" for just such an emergency. The enforcement of a court decree, of course, may again require troops.

Fresh Mob Feared

Merely the constant agitation in which Governor Faubus now is engaged—he makes a new speech or holds an inflammatory press conference almost daily—leads Army men here to believe that if the school were left unprotected a fresh mob might swarm into Little Rock from other parts of the state which are more profoundly segregationist in sentiment.

It's doubtful that local police could keep order in such a situation so long as the governor holds his present course.

The Army's original idea was that when the nine Negro students were successfully introduced into Central High the town soon would simmer down; then the soldiers could be withdrawn in stages. First, the Regular Army paratroopers, whose presence is most resented, would be withdrawn from the high school campus to some nearby base where they would be available if needed. The policing job then would be turned over entirely to the Federalized National Guard, now confined to night shift patrols. The number of Guardsmen would be gradually and unobtrusively reduced until none were left on duty here.

Pressure to speed up such a staged withdrawal has been building up rapidly in recent days from several quarters. Quietly, a group of the state's top businessmen and industrialists has been seeking a formula which would get the troops out—preferably in some face-saving manner whereby Mr. Faubus could claim credit for it. Representative Brooks Hays, who set up Mr. Faubus' meeting with President Eisenhower, is working frantically to this end. And a group of governors from five other Southern states will arrive in Washington tomorrow to urge a withdrawal. The Federal Government would like to get the troops out. With so many so eager, some arrangement conceivably could be made with Governor Faubus.

Town Simmered Down

The prospects for an early troop withdrawal should be encouraging because, in a way, the Army's expectations have proved correct. The town has indeed simmered down this weekend. An elderly Little Rock white citizen, swinging on his squeaky porch swing just across the street from Central High, looked out at a scene of utter peace and observed, "They made a mole out of a molehill. They don't need these troops here now. These boys could go home."

Talk to people all around town and you'll encounter this same sentiment. Little Rock is preponderantly a city of moderate, law-abiding people—so law abiding, in fact, that they actually wait on street corners until the "walk" traffic signal flashes.

But intelligent leaders of the community—businessmen and others—say, reluctantly, that the city police force will remain incapable of handling even a small mob of segregationists so long as the governor is beating his drum. Governor's Political Plight

To understand why Mr. Faubus is beating the drum, with a rather confusing tempo, one must examine not merely his recent actions and statements but his political plight, which is a paradox.

If an election were held in Arkansas tomorrow, Orval Faubus would easily win his third term as governor, an honor the state has bestowed upon no politician before him. Yet this man in the red brick governor's mansion knows that the prize can slip from his grasp.

He faces a bitter dilemma.

He knows that if he is to keep the support of the fervent segregationists—which he has only recently won—he dare not stand still. His use of the National Guard to bar Negroes from Central High, and his oratory since, have won the segregationists' wild enthusiasm for the moment, but have accomplished no slowing of integration. To satisfy the extremists, Mr. Faubus must move on to other, more radical measures during the 10 months before the state's Democratic primaries next July. These extremists now are emotionally calling for everything up to and including abolition of the state's white public school system.

Losing Moderate Support

Yet Mr. Faubus knows that if he does march very far down the extremist road many of his more moderate supporters, who have voted for him twice before, will begin dropping away. Up to now he has held them by balancing on a tightrope, proclaiming that he himself is a moderate, that his only interests have been avoiding bloodshed and defending states' rights.

It might be contended that the governor has maneuvered himself into this dilemma. But a deeper truth is that any ambitious politician in Please Turn to Page 17, Column 1

Golf Jacket Sale!



Consolidation of our Broadway and Fifth Avenue Stores has left us overstocked on Golf Jackets. You can now benefit thru drastically reduced prices. Poplin or Nylon.

Formerly \$22.50 NOW \$17.50
14.95 10.95
10.95 7.95

Not all sizes and colors in all styles.

Headquarters for Army & Columbia football tickets for home games only.

John Farrell

518 Fifth Avenue

Spalding Bldg. Bet. 43rd & 44th Sts., N. Y. (36), N. Y.
MU 2-0600

in Philadelphia

Hickey Freeman
CUSTOMIZED CLOTHES

are Exclusive at

Jacob Reed's Sons
ESTD 1824

Philadelphia • Haverford • Jenkintown

DIAMOND PRICES UP

Now is a favorable time to sell to one of the world's largest buyers of diamonds from the public.
EMPIRE DIAMOND AND GOLD BUYING SERVICE
Empire State Bldg., 5th Ave. at 46th St., 14th Fl.

Layoffs Reported at GE, Grumman, U. S. Steel Unit and Kaiser Steel

Workers Also Being Dropped By Yale & Towne; GM Is Recalling Idled Men

A WALL STREET JOURNAL News Roundup
General Electric Co. and Grumman Aircraft Engineering Co. announced they are laying off workers due to Defense Department economy moves. GE will drop 2,000 people and Grumman 500.

A United States Steel Corp. unit was disclosed to be furloughing 1,500 workers, and Kaiser Steel Corp. said it will idle 600 workers for a week. Yale & Towne Manufacturing Co. said it is dropping 300 employees at one plant because of expansion "elsewhere."

But the world's largest auto maker, General Motors Corp., started recalling some 28,000 employees who have been idled as a result of strikes—now settled—at two Fisher Body division plants.

GE Cites Military Business Decline

General Electric said it plans to lay off the 2,000 people in the next several months at its aircraft gas turbine division in Evendale, Ohio, because of a drop in military business. This will bring employment at the big plane engine development and manufacturing facility down to 12,500, the company said.

GE had previously announced that due to defense cutbacks and stretchouts it would be dropping about 525 men between September 1 and the end of the year at its small aircraft engine department and about 75 employees in the next few months at its instrument department. Both of these are in the Lynn-Everett, Mass., area near Boston.

J. B. Montgomery, general manager of the aircraft gas turbine division said the cutback in Evendale would affect research people in the Flight Propulsion Laboratory; workers in the jet engine department, and employees in the production engine department, which now primarily is engaged in mass output of the J-79 jet engine.

The number to be laid off in each department hasn't been set, Mr. Montgomery said.

He said the layoffs result from reduced Government spending for defense, stretchouts in delivery of new production engines and the fact fewer jet engines are being returned to Evendale for overhaul.

Layoffs Earlier in Year

Earlier this year, in two stages, the big GE division laid off about 1,300 workers. Part of this was due to the fact the Government awarded Curtiss-Wright Corp. a major contract for overhauling J-47 jet engines produced by GE, cutting into GE's overhaul work.

In a letter to employees, Mr. Montgomery said the reduction should not be interpreted as lack of confidence in GE in the aircraft-gas turbine business. "On the contrary," he said, "its confidence is amply demonstrated by continued investment of company funds in Evendale facilities."

He said an example of this was the recent purchase from Electric Auto-Lite Co. of plants at Evendale with 4,300,000 square feet of floor space. GE previously had leased about a

third of the Auto-Lite space.

He noted also GE's entry into the commercial engine business. The company recently unveiled its CJ-805 jet engine for commercial aircraft. It has been chosen for use on the Convair 440, medium range jet transport.

In Bethpage, N. Y., Grumman announced it will lay off about 500 of its personnel over the next three to four weeks, in what it said is the first employment reduction by the company since the period immediately after World War II.

The reduction in the force, which at present totals 13,850, amounts to about 3% and follows the Department of Defense requests for immediate cuts in expenditures, Grumman said.

"A huge dollar investment by the Grumman company in the commercial field, combined with many years of planned diversification of products in the military field," said L. A. Swirbul, president, "makes it possible for us to retain an extremely high percentage of our people."

No Termination of Contracts

There has been no termination of contracts, a spokesman said, but stretch-outs have been introduced. The Long Island concern said it does not foresee further reductions in its work force.

In Birmingham, Ala., A.F.L.-C.I.O. United Steelworkers Union officials said they have been notified the Tennessee Coal & Iron division of U. S. Steel will lay off about 1,500 workers in its manufacturing departments tomorrow.

A union spokesman said company officials blamed the cutback on a slowdown of incoming orders which didn't justify the current rate of production. T.C.I. officials declined to comment. The union has been told that the Ensley, Ala., rail mill will close from October 1 to December 1 as part of the cutback.

One mines and quarries of T.C.I., which employs about 23,000 workers and is the South's largest steel producer, have been closed by a strike since last Tuesday. The walkout by some 1,600 union members has not curtailed manufacturing operations yet, according to the company. The workers are protesting the extension of the use of semi-automatic machinery which has resulted in a re-allocation of workers and duties.

In Fontana, Calif., Kaiser Steel said 600 men at its plant there will be laid off for one week beginning today, due to a drop in ingot production caused by a labor slowdown that has since been adjusted. All 600 are employed in rolling mills or on maintenance and inspection.

Round-the-Clock Output

Kaiser's total employment presently amounts to some 7,600. The company said it was hopeful of reattaining that level of employment after the layoff because production of ingot steel is now on a round-the-clock basis.

The materials handling division of Yale & Towne said it has laid off employees at its plant in Philadelphia because of "an expansion of the division elsewhere."

The concern normally employs some 3,000 persons in the division, about two-thirds of these are production and maintenance workers and the remaining one-third office workers. A spokesman said the layoffs followed about the same ratio between the two groups.

According to the concern, new plants went into production recently in Forrest City, Ark., which makes hand-holds and hand trucks, and in San Leandro, Calif., which does modification and sub-assembly work. It added that this "transfer of work liberated space" in the Philadelphia plant for expanded manufacture of electric hoists and powered industrial lift trucks.

The concern declined to say, however, when it expects these expanded operations to get under way or whether it might hire back the laid-off workers.

General Motors' assembly divisions and Fisher Body division began recalling workers over the weekend.

Normal stamping operations resumed Saturday in the two plants that had been struck by the A.F.L.-C.I.O. United Auto Workers Union at Marion, Ind., and Mansfield, Ohio. These plants, which turn out body parts for all divisions of G.M. were down a week before agreements were reached to end walkouts.

Negotiations to settle a third G.M. strike in a Chevrolet division plant at Muncie, Ind., where four-speed transmissions for trucks are made, will resume this afternoon, the company said.

Other G.M. Plants Halted

A shortage of parts as a result of the stamping plant walkouts forced other G.M. plants to suspend operations, and more than 28,000 employees were idled in G.M.'s Fisher Body and Buick-Oldsmobile-Pontiac assembly divisions.

As previously announced, production of 1958 Buick cars will be delayed about one week. Production was scheduled to begin tomorrow. A company spokesman said new Buicks probably will be assembled the early part of next week.

The entire work force, about 16,000 employees, was laid off in the company's seven Buick-Oldsmobile-Pontiac assembly division plants. Workers will be recalled, the company said, as soon as parts are stamped and shipped to the assembly plants.

Today's Index Regular Features

Monday, September 30, 1957	
Abreast of Market, 21 Milestones	9
Am. S. E. Bid, Ask, 18 Money Rates	14
Am. S. E. Bonds, 19 N.Y.S.E. Bid, Ask, 19	19
Am. S. E. Stocks, 19 N.Y.S.E. Bonds, 19	20
Bond Markets, 15 N.Y.S.E. Stocks, 20	20
Commodities, 16 Odd-Lot Trading, 21	21
Dividend News, 13 Other City Markets, 17	17
Earnings Digest, 15 Over-the-Counter, 18	18
Editorials, 8 Tax Exempts, 15	15
Financing Business, 14 This Week in Wash., 17	17
Foreign Exchange, 20 Who's News, 7	7
London Markets, 20	20

Temporary Help

for any office assignment

CHICAGO
NEW YORK
MINNEAPOLIS
LOS ANGELES

WORKMAN

SERVICE INC.

Delegate the details - Workman does the rest

American Motors Plans To Drop Nash, Hudson Names on 1958 Models

Firm to Market All U. S.-Built Cars Under Rambler Name; Offers Smaller Ambassador V-8

By a WALL STREET JOURNAL Staff Reporter

CHICAGO — American Motors Corp. announced it will drop the Nash and Hudson car brand names on its 1958 lines and will market all its U. S.-built cars under the Rambler nameplate.

In the process of the switch, its largest cars—a new line dubbed Ambassador V-8—will wind up with a shorter wheel-base and a smaller body shell than the company's largest 1957 models.

Here's the line-up of American Motors' 1958 car lines: The imported, English-built Metropolitan on an 85-inch wheelbase; the Rambler American on a 100-inch wheelbase; the Rambler Rebel V-8 on a 108-inch wheelbase, and the Ambassador series, which will have a 117-inch wheelbase.

As previously announced, the larger Ramblers and the new Ambassadors will use a body shell the same size as that on the 1957-model Ramblers. For the new, modified version of the 100-inch wheelbase Rambler, A.M.C. also announced earlier, it is reviving the smaller body shell that was dropped some years ago.

On the 1957-models—Nash and Hudson wound up their model runs at the end of July and Rambler halted 1957 output in mid-August—the company offered this assortment: The Metropolitan; the 108-inch wheel base Rambler, and its Nash and Hudson lines, built on a 121-inch wheelbase.

Roy Abernethy, vice president of automatic distribution and marketing, made the announcements here after a conference of Midwest American motors dealers.

A company source said American Motors has been considering dropping the two names since early 1956. Ramblers, he noted, had borne the names Nash Ramblers or Hudson Ramblers, depending upon which dealer sold them.

Mr. Abernethy said the company's dealers across the country were "wholly in accord" with the decision to drop the Nash and Hudson names.

During the first seven months this year, Rambler sales totaled about \$4,000, up from the 43,000 sold in the like year-age period. Nash sales declined sharply during the same period to about 7,000 units, compared with about 16,500 in 1956. Hudson sales also declined to 3,500 from 8,000 in 1956. Sales of the Metropolitan, however, almost doubled during the first seven months this year when 6,500 cars were sold, up from the 3,500 sold last year.

Yugoslavs Buy Douglas Planes

SANTA MONICA, Cal.—Douglas Aircraft Co. announced the sale of two DC-4B aircraft to Yugoslavenski Aero Transport (JAT) for delivery in 1958. The contract involves about \$1,500,000 for each plane and negotiations were carried out under State Department authorization, the company said. Nat Paschall, Douglas vice-president in charge of sales, said JAT is the 48th airline to order DC-4 series planes.

LUFTHANSA

SAVE... with our Family Fare Plan to EUROPE

• Now the entire family can go. The head of the family pays full fare; dependents (age 12 to 26) save \$300 DeLuxe and \$200 Tourist Class.

• Paris and major German cities non-stop from New York.
Go now—pay later.

LUFTHANSA Airlines

355 Fifth Avenue, New York 17
MUrray Hill 2-9100

Representation in all Principal Cities

MODERN FACTORY FOR SALE

Modern, two-story brick and steel constructed Factory plus Warehouse, on 9 acres of land in Gulfport, Mississippi. Manufactured dress and sport shirts, but can be adapted for other industries. 122,000 square feet in buildings. Fully fire-proofed. WILL SELL OR LEASE.

Lowest insurance rate. Fine water system. Sprinkler system. Railroad siding in fine condition with switching connections. Many trucking services available.

This up-to-date, well lighted, well ventilated factory, fully equipped and set up with machinery, established in 1936 is in perfect condition and produced 10,000 dozen shirts per week, using 1,000 well trained employees. Excellent working conditions. Electric power and natural gas service at reasonable rates.

Through State aid, no initial investment required. Can finance as expense over period of years to reliable party. WILL SELL BUILDING OR MACHINERY SEPARATELY. Detailed information can be obtained from:

Joseph G. Smith, President
COLONY SHIRT & PAJAMA CO., INC.
350 Fifth Avenue
New York 1, N. Y.

Brokers Protected

10 pc Ratchet Wrench SOCKET SET

Ratchet Wrench, Wrench Extension and 8 Sockets, sizes 3/16", 7/32", 1/4", 9/32", 5/16", 11/32", 3/4" and 7/16". Wrench has reversible ratchet. Sockets are tempered alloy steel, bright shen finished. In a steel box, keyed on the back for easy wall hanging, and a clearview plastic slide lid for easy selection. The ideal set for home, hobby, or shop mechanic use.

\$2.95 \$30 Per Doz. Sets

POSTPAID
JOHN SURREY, Ltd. 100 East 42nd St., New York 17, N. Y.



an unusually comprehensive selection of DRESS AND SPORT HATS, AND CAPS in our own exclusive shapes and colorings

Our Hat Department offers a man one of the most comprehensive and distinctive of selections...from Lock & Co., Herbert Johnson and Brooks own English felt hats to colorful Tyroleans, tweed sport hats and caps...and such specialties as opera hats and lightweight derbies. Featured are exclusive shapes and unusual colorings of our own selection.

Our English Fur Felt Hats, from \$15

Our Sport Hats, from \$18.50 • Caps, from \$6

ESTABLISHED 1818

Brooks Brothers
CLOTHING
Men's Furnishings, Hats & Shoes

346 MADISON AVENUE, COR. 44TH ST., NEW YORK 17, N. Y.
111 BROADWAY, NEW YORK 6, N. Y.
BOSTON • CHICAGO • LOS ANGELES • SAN FRANCISCO

NOTE: Our Representative will be at the Penn-Sharston, Pittsburgh, Sept. 30, Oct. 1, 2, 3; the Sharston, Rochester, Oct. 14, 15...with our clothing displays.

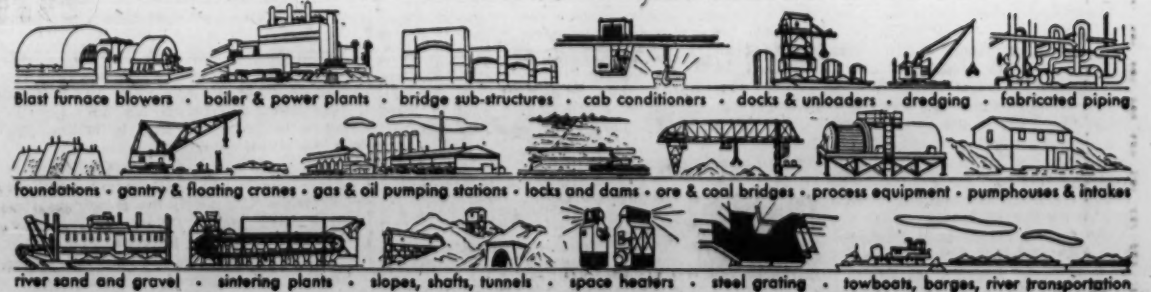
The beginning of a super highway!

These huge buckets are the digging end of a large floating sand and gravel factory operated by Dravo's Keystone Division. Aggregate for concrete used in highways and industrial construction is dredged from river bottoms at the rate of 350 tons per hour. Continuous inspection at the digging site and rigid laboratory testing maintain consistent quality of aggregate and ready-mixed concrete required for today's towering buildings and heavily traveled highways.

Largest producers of sand, gravel and ready-mixed concrete in Western Pennsylvania, the Keystone Division has nine strategically located distribution plants in the area. Fleets of river barges and mixer trucks assure prompt delivery for pouring schedules regardless of the size of the job.

For specific information on this Dravo activity or any of the products and services shown below, write DRAVO CORPORATION, PITTSBURGH 25, PA.

DRAVO
CORPORATION



Last-Minute Legal Maneuvers Seek to Stop Teamster Election of Officers; Lee of Chicago Enters the Race

Hoffa Sees Victory on First Ballot; Appeal to High Court Planned by Members

A WALL STREET JOURNAL NEWS ROUNDUP

Legal and intra-union political maneuvering aimed at preventing the election of James R. Hoffa hit a hectic pace as the Teamsters Union launched its convention in Miami Beach.

Over the whole election hangs the possibility that if the indicted Detroit Teamster chief is made president, it may be months before court proceedings permit him to take office, if ever.

Mr. Hoffa got strong new opposition in the race last night when Teamster vice president William Lee of Chicago announced his candidacy. And the legal fight to prevent the election from being held at all is expected to go to the Supreme Court today.

Mr. Lee, whose announcement had been expected for several days, said he was acting in response to pressure by "many leaders and members of the union."

The Chicago union leader is regarded by A.F.L.-C.I.O. officials as acceptable to the federation, which has threatened to expel the Teamsters if they elect Mr. Hoffa.

While Mr. Lee says privately that he considers his chances for election somewhat doubtful, his move was intended primarily as a last-ditch effort to supply a candidate for those who want to keep the Teamsters in the federation.

Asked what he thought of Mr. Lee's candidacy, Mr. Hoffa replied: "The more candidates the better. This proves that this is a democratic union." However, he immediately made plans to go before the Chicago delegation last night to try to keep them from shifting their support to Mr. Lee.

Mr. Hoffa added that Mr. Lee's candidacy was "no surprise" to him. He also said he expects one more candidate to come in. The speculation centered around Einar Mohr, a Teamster vice president and also administrative assistant to Dave Beck.

Reaction From Opponent

The reaction from the camp of Thomas Haggerty, another Hoffa opponent, was sharp and bitter. Peter Hoban, president of the Chicago milk drivers local of which Mr. Haggerty is secretary-treasurer, and his campaign manager, said there is "every possibility that Lee has the blessing of the Beck-Hoffa interests." He reasoned that the Haggerty bandwagon was rolling so fast that Mr. Beck and Mr. Hoffa both got worried and wanted Mr. Lee in the race to take some votes away from Mr. Haggerty.

A second Hoffa foe, New York Vice President Thomas Hickey, said he intended to stay in the race but indicated he would pull out if he thought there was a chance that anyone else could beat Mr. Hoffa.

There was no immediate comment from Rep. John Shelley (D., Calif.), the other major candidate in the race.

Another Chicago Teamster vice president, John T. (Sandy) O'Brien, said he thought the move by Mr. Lee was "too late to do any good. I don't think he can be elected. There's not enough time."

Mr. Lee has the support of vice president Frank Brewster, head of the Teamsters Western Conference. Mr. Brewster has said he thought he could get Mr. Lee about 400 convention votes. A majority of the more than 1,800 delegates is required for election.

Mr. Hoffa did not seem to be worried about the legal maneuvers. He told a press conference late yesterday he believed he had enough delegates pledged to him to win on the first ballot and thus foil what he called a "conspiracy by outside influences to take over the union."

He indicated this "conspiracy" would involve the lawsuits against the Teamster election. He said he expected to have a "documented statement of who was trying to disrupt the convention."

As the legal battle now stands the convention can proceed with the election as scheduled, but is under orders from the U. S. Court of Appeals for the District of Columbia to count votes only from delegates selected according to the Teamsters constitution.

Attorneys for a group of Teamster rebels, who brought the courts into the union's election, promised they would eventually try to

Mitchell Says Government Studies Union Election Law

WASHINGTON — (UP) — Labor Secretary James P. Mitchell said the current Teamsters controversy may prompt the Administration to urge Congress to enact legislation authorizing some form of Government supervision over election of union officers.

He also said recent disclosures of corruption within the Teamsters and other unions may lead to Administration-backed bills to provide greater Government supervision over the Administration of union welfare and pension funds.

Mr. Mitchell said these proposals were under consideration in the Labor Department as possible legislative remedies to "help labor clean its own house."

In addition to the legislation on welfare funds and union elections, Mr. Mitchell said on a television program, he believes "organizational picketing ought to be outlawed." By such picketing, he said, some union leaders have tried "to blackmail small employers."

He explained that in organizational picketing, a picket line of outside workers is thrown around a concern in order to force the businessman to recognize the particular union involved.

If the Teamsters elect Vice President James R. Hoffa their next president said to clean out corruption, he said, "the kind of legislation the public will demand will be much more severe."

haul every one of the union's 891 locals into court to determine which ones sent illegal delegates to the convention. If it is found that the convention's credentials committee seated any delegates who were not properly selected, the committee could be cited for contempt of court.

Lawyers Still Busy

And the lawyers are still busy with last-minute moves to block any election at all until elections for delegates are held under court supervision by all the locals. They tasted success briefly over the week end when Federal District Court Judge Dickinson Letts issued a temporary injunction against the Teamster election.

But attorneys for the Teamster Union immediately appealed and succeeded in reversing Judge Letts' order. With the reversal, and the permission to proceed with the election, however, came the Appeals Court warning that only duly-chosen delegates must vote.

Not satisfied with this, attorneys for the 13 rank-and-file New York Teamsters who originated the suit say they will try for another order blocking the election. Godfrey P. Schmidt, one of the lawyers, said at his home at New Rochelle, N. Y., he would return to Washington today for a new attack on what he terms the evil group which rules the Teamster Union like a dictatorship.

Mr. Schmidt said he would go to the Supreme Court today to try to reinstate Judge Letts' order. A rehearing before the same three-judge panel where he lost Saturday would be futile, rebel lawyers concede.

National attention has been focused on the Teamster convention by the disclosures of the Special Senate Investigating Committee and the open threat of the A.F.L.-C.I.O. to expel the Teamsters unless they clean house, including the ouster of Mr. Hoffa and retiring president Dave Beck. The Senate Committee issued a new 34-count "indictment" against Mr. Hoffa after closing a new series of hearings into his affairs over the weekend.

The investigators, who recessed for about two or three weeks, charged the union vice president with manipulating union funds for his own benefit, installing hoodlums in union posts and collusion with employers against members of his own union.

Mr. Hoffa brushed off these charges of corruption with a terse "no comment" in Miami. The chunky little Teamster leader appeared relieved over the Appeals' Court decision allowing the election to go forward. His aides were insisting that the court maneuverings had only strengthened Mr. Hoffa's chances, and discounted suggestions that he might move to have the election moved up from Thursday or Friday to keep the stop-Hoffa forces from making further gains.

Under the cloud of the court order, the

credentials committee is examining all delegates' papers, but is relying chiefly on challenges from Mr. Hoffa's opponents to turn up those who were possibly chosen outside the union's constitution's procedures. Aides said Mr. Hoffa did not intend to make any challenges himself.

Just how many delegates will be challenged was somewhat vague. So far, credentials committee chairman Roy Williams said Thomas J. Haggerty, one of Mr. Hoffa's opponents in the race, is challenging 177 delegates. He said the legality of Mr. Hoffa's home local, No. 299 in Detroit, has not been questioned. In last week's hearings, members of the Senate Committee indicated they doubted its validity, including Mr. Hoffa's own right to be a delegate. However, Teamster officials said he, at least, was legally entitled to a seat as a vice president of the union.

At any rate, the Teamsters Union is so entangled in the Washington legal maneuvering that the new officers might face months of litigation before they could take office. The election results could be challenged by either side—by Mr. Hoffa's foes if he wins, or by his supporters if he loses.

The legal maze began with a suit by the 13 New York Teamster members asking, in effect, two things:

A temporary order delaying the Teamster election, on grounds the forces of Mr. Beck and Mr. Hoffa hand-picked the delegates to insure the election of Mr. Hoffa as president and Mr. Beck as president emeritus, both at \$50,000 salary.

This is the only portion of the suit which has come up in court so far.

The second half of the rank-and-file complaint asked the court, having delayed the election, to appoint referees to supervise honest

elections in all the far-flung union's locals—then to conduct the election for national officers. This portion of the suit has not been heard at all. A permanent injunction would be involved here, and attorneys think a hearing on this would not be possible this week, even though the Court of Appeals ordered the hearing expedited. This would probably come the following week, lawyers speculated.

Judge Letts' Finding

The plaintiffs first went before 82-year-old Judge Letts, a Hoover appointee, on the first part of their petition. Judge Letts found the Teamster convention was dominated and controlled by Beck-Hoffa forces and was rigged to railroad the election.

He granted the temporary injunction asked in the first half of the plaintiffs' suit, ordering the Teamsters Union not to hold any national election, and not to seat any convention delegates who had not been selected by the locals, according to the Teamster constitution.

(The constitution—which the plaintiffs call a contract and which, they say, has been violated—provides two ways for a union local to select delegates. The local can meet and elect the number of delegates it is entitled to send, one for each 750 members, or the local can meet and vote to leave the appointment of delegates up to the local union's executive board. The plaintiffs say more than half of the locals did neither. However, the Team-

NOW...the new Continental Room

OPEN FOR CONVENTION GROUPS

The Continental Room—a new 200 capacity meeting and dining room—now available. For a smaller group of 100, reserve either Continental "East" or Continental "West." Ideal for banquets, meetings, display purposes, or sales conferences—completely air conditioned and dehumidified.

The Edgewater MADISON, WISCONSIN


ster executive council decided over the weekend that a relatively liberal "rule of reason" rather than the letter of the constitution would be applied in judging delegates' qualifications.)

Martin F. O'Donoghue, heading the Teamster legal battery, immediately appealed Judge Letts' order to the Court of Appeals. He told the three-judge panel that Judge Letts had committed "severe error" and abuse of discretion. The injunction order, prepared by plaintiffs' attorneys and signed by the judge, contained different rulings from those the judge announced orally from the bench he would sign, Mr. O'Donoghue declared.

He argued it was premature to block an

election on grounds the delegates "might" do something wrong. There is time to wait and see what they do, he declared. Then if the results show merit to the plaintiffs' arguments, they could come to court immediately for relief.

In effect this is what the three-judge court ruled. The panel, headed by Judge George T. Washington, reversed Judge Letts' order that blocked the election. Teamsters may proceed with their election, the court ruled, but only properly-selected delegates may vote. The action of the credentials committee in seating delegates is subject to full review in court later, the court warned.



JONES HAPS One Piece Underwear

No Waistband, No Buttons, No Ironing
No Bind or Sag. Fine Ribbed Cotton.
Most Comfortable Underwear.

Sizes 36 to 48

Gold Label Quality...\$2.50
Deluxe Quality...\$3.50

Sizes 48 to 50 — 50 1/2 extra

ESTABLISHED 1878

Chas. Young Inc.
GENTLEMEN'S APPAREL

67 Wall Street, New York 5, N.Y.

79 Years... Always on Wall Street
Entire Store Air Conditioned

Mail and Phone Orders
Filled Promptly
WH 4-7677

Please Add 25¢ for Postage

Now! The famous LIVING LANGUAGE COURSE in FRENCH or SPANISH



FORMERLY \$29.95
NOW SLASHED TO
\$9.95 THROUGH THE MIRACLE OF LONG-PLAY RECORDS

ITALIAN and GERMAN courses also available

Save 2/3 on this complete 40-lesson course that has taught thousands! Now everybody can afford to learn French or Spanish at home the effortless, modern way with the world-famous LIVING LANGUAGE COURSE—now on 4 unbreakable long-play records.

The Lowest Price in History!

Course based on the phenomenally successful "Army Method." Just listen—and learn. No dull grammar to memorize. Learn French or Spanish as naturally and casually as you learned English. Conversation Manual lets you see each word and phrase as you hear it. FREE 16,000-WORD TWO-WAY DICTIONARY. Wonderful help for travel, business success, school, social life. Quantities limited.

The EMPIRE SHOP

1929 Morris Ave., New York 53, N. Y.

Please send the LIVING LANGUAGE COURSE checked below at the special price of \$9.95. ☐ French ☐ Spanish ☐ German ☐ Italian

I am enclosing \$.....

NAME.....

ADDRESS.....

CITY..... ZONE..... STATE.....

Please add 1% Sales Tax for N.Y.C.



Hoops to Jets

Brass spangles for hoop skirts may seem a far cry from aluminum for jet planes yet they are both milestones in the 92 years Bridgeport Brass Company has been serving American industry.

When the Company was founded in 1865, the strip brass rolled in its first small mill went into spangles, oil lamps, clocks and other early products of New England industry. Today, Bridgeport Brass has grown to be one of the largest independent producers of Brass, Copper and Aluminum Mill Products in this country. Our eleven plants in this country and Canada turn out millions of pounds of metal which are used by almost every industry in this country. Bridgeport's consumer products are used in homes across the nation.

With this background of growth and expansion in the past, Bridgeport Brass Company—through a forward-looking program of research, development and expansion—is continuing to serve America's industries and defense by producing better metals for today and tomorrow.

Write for your copy of our 91st Annual Report with highlights of our growth, progress and operations.

BRIDGEPORT BRASS COMPANY

Bridgeport 2, Connecticut

Plants at Bridgeport, Connecticut; Indianapolis, Indiana; Adrian, Michigan; Riverside, California; Remington, New Jersey—Sales Offices and Warehouses in Principal Cities.

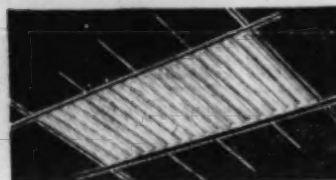
One of a series of ads about the Bridgeport Brass Company whose diamond trademark has been a symbol of quality and service since 1865 on Brass, Copper and Aluminum Mill Products • Aluminum Extrusions and Forgings • Uranium, Zirconium and Titanium Mill Products • Flexalium Aluminum Venetian Blinds and Awnings • Tire Valves and Accessories • Aerosol Insecticides • Copperware Cooking Utensils



An audit
of your
lighting
needs
will
fill the
"out" basket



The employee who's there—but not producing—may be the victim of outmoded lighting. Lightolier can audit your lighting needs, furnish a lighting plan and show you the units best suited to your needs. Example: Our new Strialux fixture. It fits modular and plaster ceilings, provides well-diffused fluorescent light, adds to the appearance of your firm. Write LIGHTOLIER, Dept. WJ, 9 E. 36 St., N.Y., or call LExington 2-2900, Extension 1.



LIGHTOLIER
Architectural and Residential Fixtures • Portable Lamps

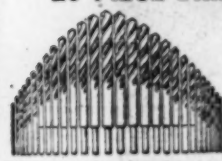
CHROME SPEED STEEL DRILL BIT SETS



These imported drill bits are turned from the finest hardened and tempered chrome steel, ground to the sharpest, long lasting edge possible. Cleanly and easily drills through hardwood, plastic, aluminum, brass, iron and steel. In handy plastic case. 13 pc. Drill Set 1 1/16" or 1/4". Graduated in \$1.29 64ths. Postpaid \$1.98

10 pc. Drill Set same as above without 11/16, 13/16, 15/16 drills. Postpaid \$1.98

29 PIECE DRILL SET



CHROME VANADIUM STEEL
\$42.00 Value

Finest hardened and tempered steel available. Bits have turned down shanks to fit 1/4" drill.
Same as above normal shanks to 1/2" \$6.50, plus \$5.50 Ship. Chge.

JOHN SURREY, LTD.
100 E. 42nd St., N. Y. 17, N. Y.

In PITTSBURGH, PA.
Let's MEET and EAT at
KRAMER'S
LUNCHEONS COCKTAILS DINNERS
Family operated for over 60 years.
Credit Service
Steak Club • Dances • Music • Gourmet

ERKOTE TECHNICAL MASTICS
• CORROSION CONTROL
• LOW TEMPERATURE INSULATION
• VAPOR SEALING
EARL PAINT CORPORATION — UTICA, N. Y.

Why America's
Industrial Leaders
Are Building
Bigger in
MISSOURI

Here are just three of many new industrial installations that are growing fast with Missouri. Not one but many advantages influenced top management to expand in the state.

Here industry finds access to plentiful underground water: rivers, lakes — proximity to raw materials, unexcelled transportation, competent labor, pleasant living and perfect recreational facilities.

Want to know more... how Missouri can help you locate and expand in Mid-America? Then, write today—or
Call Collect Jefferson City 6-7185
for complete confidential information

Please send free brochures:
☐ Missouri's Industrial Location "Fact Finder"
☐ Available Buildings in Missouri

Name _____
Company _____
Address _____
City _____ State _____

Purchasing Agents Survey Predicts Good Business in Fourth Quarter

It Notes "Renewed Optimism,"
Tells of Increased Sales
Pressure, Competition

By a WALL STREET JOURNAL Staff Reporter
NEW YORK—Fourth quarter business will be good, the National Association of Purchasing Agents predicted in its September survey.

The survey "reflects a renewed optimism that fourth-quarter business will match earlier predictions," the N.A.P.A. said.

Of purchasing agents surveyed, 32% look for higher production in the fourth period, 46% said production "would be the same and only 22% believe production would decline.

On new orders, 36% of the agents anticipate a pickup, 44% expect the same level and 20% see lower levels.

However, while 72% of the purchasing agents said no change was contemplated in their capi-

tal expansion plans for the remainder of 1957, some 20% did indicate cutbacks are planned. "Comments of the committee members indicate greater selling pressures," the report said, "with keen competition prohibiting the passing on of higher costs on many items. Currently, commodity prices are relatively static and inventories to increase inventories are largely nonexistent."

Inventories of 34% of the agents are lower than a month ago, 51% are the same and only 15% listed increases.

Higher prices are reported by 81%, down from 57% a month ago; the same prices are reported by 42% and 7% report decreases.

Higher are aluminum ingots and castings; steel pipe, fittings, shapes and fabricated components; hand tools; rubber; bearings; electrical equipment; fasteners; phosphates; grinding wheels; multiwall paper bags; caustic potash; steel chain; hardware, and freight rates.

Lower are brass, copper, steel scrap, lumber and some petroleum products.

executive, others would have retained him, but no agreement has been reached on any of them, he added.

The spokesman also said the committee is continuing to draw plans for court action to force Penn-Texas management to make available to directors and stockholders detailed information on the company's operations and finances. Mr. Finkelstein had said earlier the committee is considering asking for a court order for an independent audit of the company's books.

Penn-Texas, meanwhile, disclosed its Liberty Aircraft Products Corp. subsidiary has laid off more than 100 workers at its Farmingdale, N. Y., plant, because of stretch-outs in defense contracts. The Machine division of the Pratt & Whitney Co. subsidiary is also cutting production to work down excessive inventories, the company said. Each week for the next month or so the company will furlough about 30 workers, recalling them the next week and laying off another group of 30.

Gabriel, Gladden Products Call Off Proposed Acquisition

LOS ANGELES—A proposed acquisition of certain assets of Gladden Products Corp., Glendale, Calif., by Gabriel Co., Cleveland, has been abandoned, both companies announced.

Officers of both companies decided to break off negotiations just prior to a meeting of Gladden shareholders.

Differences of opinion over the effect of a July 31 Gladden financial statement of the proposed agreement caused the proposal to fall through, according to the joint announcement.

Under terms of the proposal, Gabriel would have acquired all assets of Gladden, except two subsidiaries, and would have assumed all Gladden's liabilities.

Further negotiations are not presently planned, according to the announcement.

Penn-Texas Negotiates To Compromise Split In Board of Directors

Both Sides Propose to Increase
Number of Members But Nothing
Concrete Has Been Decided Yet

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Negotiations to compromise the split in the Penn-Texas Corp. board of directors are under way but so far have produced no results.

Wallace S. Whittaker, one of two dissident Penn-Texas directors representing a "stockholders protective committee," said the committee has been approached by management representatives with proposals to enlarge the board to give the committee more representation. A Penn-Texas spokesman confirmed this, and added one proposal had been to expand the board to 12 members from the present eight.

Both sides, however, denied reports that they had discussed dividing an expanded board with five members each for management and insurgents and two neutrals. A Penn-Texas spokesman said his side felt any revision of the board "should bear some relation to the stockholder vote" in a proxy fight last May, in which the protective committee got only 850,500 share votes to management's 2,948,872, indicating that management would insist on retaining a board majority. Mr. Whittaker confirmed that his side had not been offered equality of representation.

Switch of Support Reported

Mr. Whittaker and Robert C. Finkelstein, the other committee director, last month got the support of retired Maj. Gen. C. T. Latham, a director originally elected on the management slate, in an attempt to oust Leopold D. Silberstein as chairman and president of Penn-Texas. A special board meeting with Mr. Silberstein absent.

Mr. Whittaker said proposals had also been made to "reconstitute" the company's three-man executive committee to "remove one-man control," he said had been exercised over it by Mr. Silberstein. He would not give any details of how this was to have been done. Penn-Texas did not comment on this aspect of the discussions.

The other members of the executive committee are Ernest Stroheim, Penn-Texas treasurer, and Duncan M. Findlay, a real estate and insurance executive, both of whom are also directors. The Finkelstein-Whittaker committee has claimed it originally had the support of these men for its August dump-Silberstein move, but that they switched their support at the special board meeting.

Subsidiary Lays Off 100

A spokesman for the dissident directors said some of the new compromise proposals had come from Mr. Stroheim and Mr. Findlay, and others from lawyers "allegedly representing Mr. Silberstein." Some of the proposals would have deposed Mr. Silberstein as chief

Hershey Estates Files Suits Totaling \$300,000 Against 3 Union Locals

Special to THE WALL STREET JOURNAL

HARRISBURG, Pa.—Hershey Estates filed suits totaling \$300,000 against three labor union locals for alleged damages stemming from picketing activities in Hershey, Pa.

The Estates, which operates more than 30 businesses in Hershey, filed suit for damages of \$100,000 each from Locals 488 and 98 of the International Alliance of Theatrical Stage Employees and Motion Picture Machine Operators, Harrisburg, and Local 464, Bakery and Confectionery Workers, Hershey.

The company's suit claims that Local 464, which is striking Hershey Estates, set up picket lines around the Hershey Community Theater, an Estates enterprise, even though it does not represent theater employees.

The suit, filed in Dauphin County Court, alleges that this caused a breach of contract with Local 488, whose contract runs to December 31, 1957, and with Local 98, whose contract runs to May 1, 1959. It charges that employees belonging to these two locals refused to cross Local 464's picket lines to enter the theater, thus failing to perform their customary duties.

Previously the baker's union had filed a suit in Federal District Court here asking \$1 million in damages from Hershey Estates, alleging some of its members were ousted from their quarters in the Hershey Hotel after the strike began. The company contended these quarters represented part of the employees' salaries, and since they were not working, they were not entitled to them.

The union's suit also asked an injunction restraining the company from interfering with collective bargaining and picketing.

The two sides met late last week for the first time since September 17, when the strike began, but no progress was reported in the negotiations, and no date was set for further talks.

Emerson Boosts Prices Of Some Radio, TV Sets

By a WALL STREET JOURNAL Staff Reporter

JERSEY CITY, N. J.—Emerson Radio & Phonograph Corp. announced it would raise the suggested retail price on certain of its radio, television and high fidelity phonograph models 5% to 15%.

The price increase would be effective immediately, the announcement stated. Present suggested prices on radios range from \$17.88 to \$60; television sets \$128 to \$348; and high fidelity units \$128 to \$378.

The prices of all models would not be affected, the company said. Of those changed, the company said, radios would be increased \$2, television sets \$10 and high fidelity units \$20.

Paper Output Slips

NEW YORK — The American Paper and Pulp Association reported the ratio of U. S. paper production to mill capacity for the week ended September 21 was 90.8%, down from a revised figure of 90.9% for the preceding period and 100.7% for the like week last year.

Output of mills making newsprint exclusively was not included.

The paperboard ratio for the week was put at 96%, down from 96% the week before. For the like period last year, the rate was reported at 94%.

BRITISH ALL-WOOL GABARDINE RAINCOAT

CASH IN ON SENSATIONAL BRITISH CUT-PRICE EXPORT OFFER—

OPEN TILL **NOV. 9** only

\$45.00 value for **\$29.95** POST FREE

DIRECT FROM MANUFACTURER—NO MIDDLEMAN'S PROFITS

YOU must rate this the finest man's All-wool Rainproofed Gabardine Topcoat of any priced up to \$45.00—or we refund your \$25.00—and REFUND YOUR IMPORT DUTY TOO!

1. Tailored by SARTOR—MANUFACTURERS OF Britain's finest high-class rainwear.
2. Impeccably cut in super quality ALL-WOOL gabardine, rainproofed and traditionally London shrunk.
3. Fully lined. Roomy RAGLAN shoulders. Strengthened pockets.
4. Your coat comes from SARTOR HOUSE in England—SIMPLY FILL IN COUPON BELOW
5. SIZES: Chests 32" to 46"; Heights 5'0" to 6'3".



Sartor SARTOR HOUSE, (Dept. W)
Manchester, 8, England

"DO IT YOURSELF" IMPORT SCHEME

TO: SARTOR, Sartor House, Manchester 8, England
Kindly forward a British All-Wool Rainproofed Gabardine Topcoat on the approval money-back conditions advertised by you.
I am Enclosing Personal Cheque / delete words
I am Sending Money Order separately / not applicable
for \$25.00, and will pay the balance of \$14.95, which is import duty, to the postman on delivery.
My height (without shoes)ft.in. My weightpounds.
Chest measurement (over vest or pullover)
Mid-torso: grey: navy: dark green: / Please delete the shades
Belated: unbelated style. / and style not required.

Name
Address

PLEASE NOTE: Coupon and payment can be posted direct to Sartor, Sartor House, Manchester, 8, England, (airmail 13½ pence), or to our U.S. Representative, the Samit Company, (Dept. E), P.O. Box 212, Minneapolis 1, Minnesota, who will forward your order to England, handle enquiries and, when requested, make also changes or cash refunds.

FREE \$5.00 VALUE
1,000-Page 4-Color Catalog, Over 25,000 Gifts
ONLY 86 DAYS UNTIL CHRISTMAS
New Easy Way to Shop for Client's and Employee's Christmas Gifts
DO YOUR CHRISTMAS SHOPPING WITHOUT MOVING FROM YOUR DESK!
Tell Us What You Need... We Do The Rest

Our signature Christmas shopping. No fuss, no bother, no confusion. Clients, employees, business associates receive individual gifts you choose. You merely jot down gift each person is to receive. Different gifts to different people or same gift to groups of people. Everyone satisfied. 1,000 page 4-color catalog (86.00 Value) gives full description and illustration of over 25,000 name brand gifts in all price categories. \$2,000,000 inventory includes sporting goods, giftware, imports, everything for men, women or children, for home, travel or office. Individual N. SHURE Shopping Plan for your private office, business needs and budget requires only one signature, entire order billed on one invoice. Lowest wholesale prices. Prompt delivery. You pay only for merchandise ordered. No service fees or additional charges. Catalog and full details available without obligation. Plan now to avoid last minute rush. Request on company letterhead only.

One of America's Largest, Most Successful Wholesalers of General Merchandise
N. SHURE CO. 500 N. Pulaski Road
Chicago 24, Illinois Phone Business 8811 Dept. VA 8-8200



Never before such luxury aloft!

**Fly Radar-Equipped
GOLDEN
FALCONS**

DC-7B's and Super-G Constellations
...world's smoothest, quietest,
most luxurious airliners!



Exclusively yours on Eastern's Golden Falcons... the most beautiful aircraft interiors ever designed... deep-cushioned reclining seats, all two abreast... air-conditioning on the ground and in the air... the most delicious meals in the skies, served with Eastern's compliments!

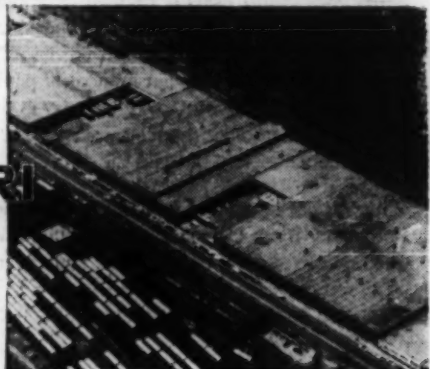
ST. LOUIS NON STOP **3 HRS. 25 min.**

Charlotte ... NON STOP 2 HRS. 23 min.	New Orleans NON STOP 4 HRS. 5 min.	Mexico City NON STOP 7 HRS. 15 min.
Atlanta ... NON STOP 2 HRS. 51 min.	Houston ... NON STOP 4 HRS. 56 min.	Evansville ONE STOP 3 HRS. 34 min.
Birmingham ONE STOP 4 HRS. 12 min.	San Antonio ONE STOP 6 HRS. 23 min.	Louisville NON STOP 2 HRS. 37 min.

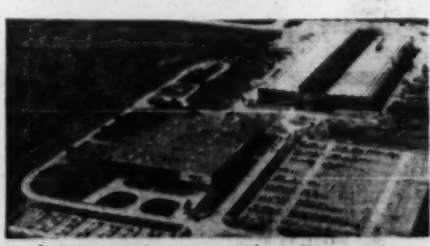
SEATS AVAILABLE NOW—Phone Murray Hill 8-8000 or your travel agent

Over 55 million passengers have flown
EASTERN AIR LINES

29 YEARS OF DEPENDABLE AIR TRANSPORTATION



1. Hussman Refrigerator Company adds more space at St. Louis. Recent expansion on 20 additional acres increases plant area 135%.



2. TWA expands maintenance base. This giant Jet International Overhaul Base northwest of Kansas City testifies to the advantage Trans-World Airlines finds in Missouri.



3. Lily Tulip Cup grows at Springfield. Company has more than doubled space of plant since it was first completed in 1952.

Little Goggomobile Unveiled to Dealers As Addition to Studebaker-Packard Line

By CHARLES ORBERTANCE
Staff Reporter of THE WALL STREET JOURNAL

SOUTH BEND, Ind. — The small, economy car which Studebaker-Packard Corp. announced it will market this year will be the German-built Goggomobile, it was learned here.

The cars will be imported on a "knocked-down" basis, or in parts, and will be assembled by Studebaker-Packard in this country. Retail prices of the Goggomobile will be between \$1,000 and \$1,400.

Harold E. Churchill, president, announced earlier this month that the company will add an economy car to its present lines, which will sell at prices below the company's Scotman. The Scotman is Studebaker-Packard's economy model, which retails in the \$1,800 to \$1,900 range.

Widening the Price Range

Under a franchise agreement, the company now sells in the higher-priced bracket the flashy, German-built Mercedes-Benz cars. The Goggomobile, officials explained, will give the company complete coverage of all auto price ranges.

Two versions of the Goggomobile were shown to dealers at a meeting here last week. They saw a two-door roadster convertible and a small delivery van. Other models now in production by the German concern, Hans Glas Isaria-Vetriebs-K.G., of Dingolfing, Bavaria, include two and four passenger closed models. A dealer who attended the showing said he

and other dealers there "were very enthusiastic" about the car.

The Goggomobile assertedly will average from 35 miles to as much as 45 miles on each gallon of gasoline and will travel at speeds of up to 60 miles an hour. Each will have a two-stroke, fan-cooled engine mounted in the rear, with about a 17-horsepower output.

The two-door roadster, which will sell for about \$1,295, is 120 inches long, almost 54 inches wide, and about 48 inches high. The two-passenger closed model, which sells at about \$1,000, is slightly smaller.

Officials Testing Goggomobiles

Studebaker-Packard officials, including Mr. Churchill, have been testing these cars, by driving them for their personal use.

At the South Bend meeting, dealers were given questionnaires and asked to write their opinion of the car and to list its potential market. They were also asked how the Scotman cars had been received this year by customers, and how much lower in price the company would have to go to attract persons unable to afford even the Scotman.

One company official explained that if enough dealers objected to handling the Goggomobile the company probably would not conclude its agreement with the German concern to import it. However, it was felt that since the company has gone this far, firm plans have been made to market the car in this country. Official spokesmen would say only the company is "considering" importing and selling the Goggomobile, but that a definite decision has not been made.

Certain-teed Products Says Third Quarter Net Will Top Like '56 Period

By a WALL STREET JOURNAL Staff Reporter
PHILADELPHIA — Certain-teed Products Corp.'s 1957 third quarter earnings are expected to exceed the \$872,941, or 40 cents a share, the company earned in the third 1956 period, and third quarter sales should also rise above last year, Malcolm Meyer, president, said.

In the quarter ended September 30 last year, the Ardmore, Pa., concern's sales were \$25,885,752.

Mr. Meyer also said 1957 third quarter sales and earnings should show a "substantial increase" over the second period of this year, when the company earned \$532,256, or 25 cents a share, on sales of \$20,565,911.

Mr. Meyer said it appeared at present that "if profits held up in September, earnings should be comfortably over the 40 cents a share earned in the third quarter, 1956."

Properties of the company, a manufacturer of building products, are in "a high degree of repair and maintenance," Mr. Meyer said, adding there are "no important capital expenditures contemplated at this time."

Certain-teed, he said, has bought more than 100,000 of its own shares on the open market. At the end of 1956, the firm's annual report showed 25,000 shares held in the treasury.

whoever heard of better reasons for choosing a fine resort-hotel!

- * HARRY'S AMERICAN BAR — for "amusing entertainment... dancing... congenial atmosphere!"
- * FAMOUS ENTERTAINERS — the world's best — year 'round in the beautiful Cafe Pompeii!
- * SPACIOUS GUEST ROOMS — all supremely comfortable, with private baths, dressing rooms, TV in every room.
- * FUN DAY AND NIGHT — a full schedule of activities — planned by our host and hostess!
- * UNSURPASSED CASANO CLUB — tremendous pool, spacious pool deck, and private ocean beach
- * GOLF at nearby 18-hole course
- * INCOMPARABLE HEALTH CLUB and men's and women's modern solaria
- * SUPERB FACILITIES FOR business meetings of all sizes!

see you at **Eden Roc**
hotel, cabana & yacht club

It costs no more, but what a difference it makes to live at Eden Roc!

HARRY MUFSON, President
FRANK P. DOLAN, Manager
NEW YORK OFFICE: LO 5-8225

Send for color brochure ON THE OCEAN AT 43IN STREET MIAMI BEACH

Hagan Chemicals Sees Better Profit Margin, Rise in Sales in 1957

By a WALL STREET JOURNAL Staff Reporter
PITTSBURGH — Higher sales volume plus more efficient operations will boost earnings of Hagan Chemicals & Controls, Inc., to a record level this year. "We're confident that we will earn about \$5 a share in 1957," W. W. Hopwood, president, said. He estimated that total

sales for the year would be approximately \$27 million.

Last year Hagan earned \$1,134,975, or \$3.78 a share, on sales of \$22,911,276.

Mr. Hopwood's estimate of sales and earnings for 1957 would indicate a sales-to-earnings profit margin this year of about 5.6%. This would compare with a 4.95% margin reported by Hagan in 1956. In 1955 the company earned 4.65% profit on sales.

Hagan Chemicals & Controls derives most of its income from the sale of chemicals used in both home and industrial water treatment and from engineering services to commercial and industrial water users.

• IN CENTRAL
OHIO, MORE
PEOPLE WILL BUY
YOUR PRODUCT
IF IT'S PRE-SOLD
IN THE
COLUMBUS
DISPATCH

The Columbus Dispatch pre-sells Central Ohio best because it's read most. The Dispatch has a solid family coverage of home delivery both daily and Sunday! City zone population? Over 502,000 at last count and growing fast.

In addition to blanketing the Midwest's number one test market, The Dispatch dominates a 12-county trading area with a net effective buying power of 1 1/4 billion dollars.

Invest your advertising dollars soundly in Central Ohio... in The Columbus Dispatch. And for real sales records, use Dispatch ROP Full Color. Write for full information today.

THE **Columbus Dispatch**

Read in 9 out of 10 Columbus homes

National Representatives: O'Mara & Ormsbee, Inc.,
New York, Chicago, Detroit, Los Angeles, San Francisco.
Resort Representatives: McAshill, Horman & Deloy, Inc.,
Miami Beach.

WINSTON
TASTES GOOD!

LIKE A
CIGARETTE
SHOULD!

NOW IN
CRUSH-PROOF
BOX, TOO!

THE TASTE IS TOPS...IN PACK OR BOX!

In a cigarette it's the flavor that counts. But if some folks prefer those good-tasting Winstons in a box, shouldn't they be able to get 'em that way? Sure they should! Starting now, you can buy America's #1 filter smoke in the crush-proof box or regular pack. So take your choice, Winston fans. Box or pack, Winston tastes good—like a cigarette should!

Same fine taste — at the same popular price!

R. J. REYNOLDS TOBACCO COMPANY, WINSTON-SALEM, N. C.

Smoke **WINSTON** America's best-selling, best-tasting filter cigarette!

Canadian Wood Pulp Output

MONTREAL—Output of wood pulp in Canada during August was 891,683 tons, 3.4% less

than in the like 1956 month. Production for the first eight months was practically unchanged from last year at 7,035,319 tons, according to the Canadian Pulp and Paper Association.

WHELAND
THE FOREMOST NAME IN
SAWMILL EQUIPMENT
FOR OVER 90 YEARS

**COMPLETE
SAWMILLS AND
AUXILIARY
MACHINERY**

**CIRCULAR SAWMILLS
BAND SAWMILLS • EDGERS AND
TRIMMERS • TRANSMISSION
AND CONVEYOR MACHINERY
LUMBER SORTERS**

**THE WHELAND
COMPANY**
CHATTANOOGA, TENNESSEE

School for Executives to Open
Today in Former TB Sanitarium

Management Association's
New Academy an Economic
Lift for Saranac Area

BY LEE SILVERMAN
Staff Reporter of THE WALL STREET JOURNAL

SARANAC LAKE, N. Y.—This picturesque Adirondack town is getting a new lease on life. Until recently a leading center for the treatment of tuberculosis, the Village of Saranac Lake today becomes the site of another specialized activity—the first full-time "campus" devoted exclusively to training executives in business and industry.

This morning the American Management Association, non-profit executive training organization, opens its new Academy of Advanced Management on the stately grounds of the former Trudeau Sanitarium, located on a bluff rising above this community of 6,000 people. The association is taking over some 50 buildings on the 90-acre wooded tract which have stood idle since the closing of the famed health retreat in late 1954.

Trudeau's shuttering after 70 years of operation was widely hailed as a symbol of new inroads by medicine in curing tuberculosis, resulting mainly from development of new drugs and surgical methods.

This interpretation has since been found to have been somewhat over-optimistic. Although deaths from TB have been dropping dramatically, there hasn't been much of a decline in the number of people who succumb to the disease annually, and the number of hospital beds used for their care, according to the National Tuberculosis Association. However, the time TB patients must spend in bed generally has been cut in half.

Effects Elsewhere

The need for less expensive treatment, coupled with the higher cost of institutional care, has contributed chiefly to the closing of private sanitariums the last two years in such places as Denver, White Haven, Pa., Ithaca, N. Y., and Walla Walla, Wash.

In Saranac Lake, whose main "industry" of TB care and research has included scores of small private rest homes, Trudeau's end accelerated a downturn in the economy already set in motion by post-war improvements in TB therapy. Over the last few years, Saranac Lake lost about 1,000, or nearly 15%, of its population, including relatives of patients, hospital attendants and employees of stores. The retrenchment process hit bottom last winter.

"A lot of people seemed to run out of money at about the same time," recalls Roger W. Tubby, co-publisher of the daily Adirondack Enterprise and once press secretary to former President Truman. "It wasn't unusual for a business firm's accounts receivable last December to be triple what they had been a year earlier."

Saranac Lake, situated about nine miles from Lake Placid in the heart of rugged Adirondack State Park, has been trying to make up for its health center losses by making a strong bid for the tourist trade. A number of hotels have sprung up in the area. And not long ago, the village took over the exhibition of a cottage which Robert Louis Stevenson occupied in 1887, while battling a TB siege.

But the shrine that holds the most sentimental value for the townspeople themselves is the Gutzon Borglum statue of Dr. Edward Livingston Trudeau, founder of the sanitarium bearing his name, which the A.M.A. has agreed to preserve on the Academy grounds.

Generally, facilities discontinued as TB sanitariums have been readily converted into other kinds of hospitals. But for the sprawling Trudeau, whose upkeep while closed ran about \$70,000 a year, there was no such easy way out.

The Trudeau Foundation, owners of the sanitarium, aggressively canvassed the country for possible buyers. At one point, the Mellon Foundation of Pittsburgh considered the installation as a research center for industrial disease. The grounds also were variously proposed as a college for chronically ill students, a veterans' rehabilitation center and an institute for mentally retarded children. The Ford Foundation was studying establishment of a new college on the grounds when Trudeau's sale was announced.

The A.M.A., which has been rapidly outgrowing its large headquarters in New York City's Sheraton-Astor Hotel, learned about Trudeau's availability from an advertising brochure only last January. By early March, A.M.A. had the deal sewed up. It purchased the property for an undisclosed nominal amount, but its outlay for remodeling the plant is expected to approach \$1 million. The book value of the "san" is put at about \$2 million.

"Our buying the property happened so fast, I'm sure it was destiny," relates Lawrence A. Appley, A.M.A. president. The management group's initial program at Saranac Lake will consist of its week-long management course, for which a class of some 75 executives will register today, and a two-week decision-making course, which utilizes electronic computers to keep track of the students' progress.

Plans for Future

Future Academy plans envision courses in management "internship"—in which business men students will practice various managerial skills under supervision—and the establishment of a research program on management as a profession.

Some of A.M.A.'s general business office tasks have been switched from New York to the Academy.

In the fiscal year ended June 30, A.M.A. structural meetings, conferences and seminars were attended by 75,000 executives over the country; total income for the period, mainly from fees, amounted to nearly \$6,500,000, up nearly 50% from the previous year.

Vice President Robert F. Steadman estimates that once the Academy program starts going full-tilt, inside of a year, the campus will have a constant level of about 400 persons—200 students, 100 maintenance personnel and 100 staff and office people, spending an annual budget of about \$1,500,000.

A.M.A.'s coming to Saranac Lake already has led to brisker trade in town. Merchants report a 15% to 35% pickup in sales this summer as a result of an average \$30,000 a week paid to building trades workers who were rehabilitating the old sanitarium and the general restoration of confidence among the townsfolk.

To such craftsmen as Mott Chapin, who owns a small place on Main Street that turns out pottery items (Mott's Pot Shop), and silversmith Martin Koop, the new influx of Saranac Lake visitors has special meaning. Both were members of a pilgrimage of a former period who came to Saranac Lake to be treated for tuberculosis and, like many others who now make up the town's population, stayed on after they were cured.

Initial Jobless Pay Claims Drop

WASHINGTON—New claims for unemployment compensation declined in the week ended September 21, largely because of a tapering off of layoffs in the auto industry, the Labor Department said.

The new claims totaled 231,900, down 23-

100 from the week before. For the week ending September 23 a year ago, the total was 185,300. Total unemployment payment figures, which run a week behind the statistics on new claims, have not yet shown the pickup in the auto industry. As of September 14, 1,169,200 were on the unemployed payment rolls, up 43,000 from the week before.

Whitney learned how to make
muskets from his experience in
making cotton gins.



The heart of the ginning
process—five-toothed saws
reach between accurately
spaced ribs to pick lint from
the cotton seeds.

**Mass Production in the U. S.
Began
With Cotton Gins**

The multiplicity of common parts in cotton gins spawned the system of manufacturing by production of interchangeable parts—Whitney's famed "uniformity system." With this production "know-how" he secured his first army musket contract.

Continental and its predecessor companies have been mass-producing cotton gins and other intricate machines since 1832—just 32 years after Whitney made his famous ten-musket demonstration—and today "The Gin Company" is recognized as one of the foremost producers of standard and special machines for many of the nation's leading industries. Included in the list of Continental's successful production accomplishments are found sealing machines, automatic and standard lathes, boring and super-finishing machines, steel rolling mills, diesel engines, hydraulic pumps, baling presses, standard and special conveying and materials handling systems, and many other equally diversified products.

A completely equipped 22-acre plant—recognized as the most modern and complete in the South—offers facilities and craftsmen to expand production or relieve overload in your plant. Whatever your problem, if it requires extensive facilities and skilled production "know-how," see "The Gin Company" first!

ATLANTA • DALLAS • KNOXVILLE • MEMPHIS • MOBILE • NEW YORK 19

INDUSTRIAL DIVISION

Continental Gin Company
BIRMINGHAM ALABAMA

Firth Carpet Expects
This Year's Earnings
To Be About Equal to '56

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Firth Carpet Co.'s sales for the year to date are 4.7% ahead of last year, but earnings are about equal to last year's pace, Ade Schumacher, president, said.

Mr. Schumacher said the company expects to hold the percentage of sales gains through the end of the year, but he expected earnings for the year ending December 31 to be about the same as last year's \$1.40 a share earned on net sales of \$24,822,666.

Mr. Schumacher and William W. Harts, Jr., vice president and treasurer, said earnings have been effected by non-recurring costs involved in opening the company's new Brunswick, N.C., plant, expected to be operating at capacity by the end of November. In addition, they said profits have been hurt by heavy advertising, promotional and merchandising expenses in launching the company's Acrilan carpet line introduced early this year. The officials said the Acrilan carpet sales have "exceeded the budgeted figures by a substantial amount" and have been one of the reasons for Firth's higher sales this year.

Mr. Harts said the new synthetic fibre should provide stability to offset wide fluctuations in foreign carpet wool prices.

During the first half, Firth called in its preferred stock, removing all restrictions on the company's \$6,596,765 earned surplus, but Mr. Schumacher said the company's dividend policy "will remain conservative." The company has paid 15-cent quarterly dividends plus an extra of five cents in December. Since "money is limited in availability," Mr. Schumacher said Firth would put its earnings back into the business.

"Firth does not intend to stand still," he asserted. "We will expand to be competitive and prosper in the industry." He said capital expenditures this year have been the highest in the company's history.

SINGLE or DOUBLE-BREADED
SUITS
MODERNIZED

***\$19.50 POSTPAID**
Convert your old-fashioned wide-lapel single or double-breasted suit or tux to a smart new single-breasted model for only \$19.50 postpaid. Our master tailors recut and re-shape coat collar and lapels to modern, single-breasted styling (shawl collar on tux \$4.50 extra). Coat size altered if desired. Satisfaction guaranteed. Write for FREE details or send coat and check today.
Master Tailors Since 1920
ROGERS TAILORING CO.
Dep. W-11, 821 Prospect Ave., CLEVELAND, O.

FAMILY FINANCE CORPORATION
1927 30th YEAR 1957
HIGHLIGHTS OF OUR THIRTIETH YEAR OF SERVICE

The close of our 30th year was also the close of the greatest single year's expansion in the Company's history. In all important areas of growth, important gains had been recorded.

Total loans made—our volume of business—was up 11.3% to a new all-time high.

Notes receivable at the year's end—the business on our books at the close of the year—was up 13.6%.

Revenue rose 11.8%, and net earnings advanced to \$2.39 for common shares.

The July 1, 1957 dividend, declared May 27, 1957, was the 114th consecutive quarterly dividend paid on common stock. A record which started in 1928.

HIGHLIGHTS		June 30, 1957	June 30, 1956
OPERATIONS			
Total Loans Made		\$193,013,213	\$173,387,181
Number of Loans Made		471,966	458,698
Average Loan Made		\$409	\$378
Notes Receivable at Year End		\$117,995,827	\$103,863,838
Average Loan Balance		\$323	\$299
Number of Employees		1,840	1,748
Number of Branch Offices		247	214
EARNINGS AND DIVIDENDS			
Revenue		\$27,606,005	\$24,690,870
Operating Expenses		\$14,265,386	\$12,763,417
Taxes on Income		\$4,508,000	\$4,500,000
Net Earnings		\$4,971,320	\$4,600,019
Earnings for Common Stock		\$4,937,512	\$4,536,452
Shares of Common Stock		2,065,713	2,042,901
Earnings Per Share		\$2.39	\$2.22
Dividends Paid Per Share		\$1.50	\$1.50

Copy of 1957 Annual Report available on request Write Department N

FAMILY FINANCE CORPORATION
200 WEST NINTH STREET WILMINGTON 99, DELAWARE



"How am I going to face my friends?
They're all WOODwatchers!"

(Everybody in Western Michigan is a WOODwatcher.)



WOOD-TV

WOODland Center, Grand Rapids, Michigan

WOOD Broadcasting Inc. • A subsidiary of Time, Inc. • Licensee of Radio Station WOOD, 5,000 watts, fulltime, NBC • Television Station WOOD-TV, channel 8, 316,000 watts a.g., 1000-foot antenna, NBC Basic, ABC Supplementary • Represented by Katz Agency

CONSULTANT STANDARDIZED
DISTRIBUTOR ACCOUNTANT

- Degree in accounting or equivalent.
- Preferred between ages 25 to 35.
- Aviation-flying experience desired.

Cessna

Write Professional Placement Supervisor, Cessna Aircraft Company,
5800 East Pawnee Road, Wichita, Kansas.

LET *Free* Money

MAKE MONEY FOR YOU

The money you have frozen in accounts receivable can't earn a penny for you — normally not for 30 days or longer. Only when your capital is free to go to work at a moment's notice can you take advantage of every profit opportunity as it arises.

Now you can free money normally frozen in accounts receivable — and get the cash you need, as you need it. Through Commercial Factors' "Protected Profit Program" you get cash as you ship, even if you sell on extended terms. In this way, you are never "tight for cash," because all your capital keeps working all the time to increase your turnover and profits. At the same time you are protected against all credit losses and relieved of all collection chores and expenses.

Commercial Factors also provides overadvances, where necessary, for seasonal inventory accumulation, expansion and modernization of plant and equipment, and other purposes.

Let us tell you more about our "Protected Profit Program."

Send Today For Free Brochure

This brochure describes in detail all the key features of the "Protected Profit Program" and other valuable suggestions on how to expand your business and increase your profits.

For your copy, call or write Mr.

G. D. Moran, V. P., Dept. J-14

Commercial Factors

Corporation

8 Park Ave., N. Y. 14, N. Y. MU 4-1200

OFFICE EXECUTIVES!!

OFFICE

TEMPORARIES, Inc.

has experienced, personable

OFFICE HELP

AVAILABLE NOW

(OR FOR YOUR BUSY SEASON)

For 1 day, 1 week, or longer

TEMPORARY CLERKS,

TYPISTS, STENOS, etc.

MR. CARTER WO 4-0038

Main Office: 39 Cortlandt St.

BRANCHES SERVING GREATER NEW YORK

Over-the-Counter Markets

FIRST CALIFORNIA COMPANY

INCORPORATED IN CALIFORNIA

1001 MARKET STREET, SAN FRANCISCO 4, CALIF.

Who's News

Management— Personnel Notes—

Commerce and Industry

Compton Advertising, Inc. (New York)—John Egan was named vice president.

The American Home Magazine (New York)—John J. Veronis was appointed vice president and advertising director.

American Steel Foundries (Chicago)—New appointments are: C. E. Grigby, vice president and general manager; William C. Taylor, vice president-sales; John C. Day, assistant vice president; and Carl E. Tack, vice president and chief mechanical engineer.

Warner-Lambert Pharmaceutical Co. (Morris Plains, N. J.)—William N. Enes was named sales director of Warner-Chilcott Laboratories, a division.

American Cable & Radio Corp. (New York)—Charles D. Hiles, Jr., executive vice president of International Telephone & Telegraph Corp., was elected a director.

Aetna-Standard Engineering Co. (Pittsburgh)—James H. Higgins, vice president of Mellon National Bank & Trust Co., was named a director.

Molybdenum Corp. of America (New York)—Adm. Arthur W. Radford, former chairman of the Joint Chiefs of Staff, was elected a director.

Harris-Intertype Corp. (Cleveland)—Three new directors are: John W. Hooper, president of Lincoln Savings Bank of Brooklyn, N. Y.; Oswald L. Johnston, New York attorney; and Richard B. Tullis, vice president, who was also promoted to executive vice president.

Alan Wood Steel Co. (Conshohocken, Pa.)—Robert R. Titus was elected a director.

Airborne Instruments Laboratory, Inc. (Mineola, N. Y.)—Donald M. Miller was named executive vice president.

Phileo Corp. (Philadelphia)—Adm. Arthur W. Radford (U.S.N. Ret.) was elected a director.

Johnson & Johnson (New Brunswick, N. J.)—Floyd L. Wideman was appointed director of the new products division.

Morton Salt Co. (Chicago)—James H. Burtch was named vice president and a director of Canadian Salt Co., Ltd., and also of Canadian Rock Salt Co., Ltd., subsidiaries.

Chubb, Peabody & Co. (New York)—James F. Haley was named secretary of this producer of men's and boys' furnishings.

Republic Industrial Corp. (New York)—

A. E. Van Cleave, a vice president, was elected a director. Republic manufactures forgings, stampings, springs, cranes and other products.

Mack Trucks, Inc. (Plainfield, N. J.)—George E. Engelmann was named vice president-administration, and Charles G. Hofreiter was appointed treasurer.

Scott Paper Co. (Chester, Pa.)—Thomas J. McCabe, Jr., was named director of advertising.

Fruehauf Trailer Co. (Detroit)—R. N. Biggers was named vice president and general manager of the Hobbs Trailers division.

Railway Express Agency (New York)—Paul Gross, Jr., was appointed vice president and secretary.

Continental Can Co. (New York)—John G. Murray, vice president, was named director of technical development, succeeding Maj. Gen. C. L. Adcock, who retired.

Finance

American Fore Insurance Group (New York)—Newell R. Lusby was named vice president of Fidelity & Casualty Co. of New York, an American Fore company.

Lawyers Mortgage & Title Co. (New York)—Jerome F. Katz was elected president, director, and chief executive officer.

Freeling, Meyerhoff & Co. (Chicago)—Stanley M. Warsaw and Kurt B. Karmin were admitted to partnership in this securities firm.

The Franklin Savings Bank (New York)—Thomas W. Keesee, Jr., was elected a trustee of the bank.

Southeastern Factors (Charlotte, N.C.)—Frank W. C. Timson, formerly vice president of Crompton-Richmond Co., New York, was appointed vice president.

Interstate Finance Corp. (Evansville, Ind.)—Richard E. Meier was elected chairman, a new post, continuing as chief executive officer of this consumer credit and insurance firm.

John T. Rimstidt, executive vice president, will serve as vice chairman, also a new post, and as president of Merit Life Insurance Co., Inc., a subsidiary. On October 1, when these appointments become effective, Leland M. Feigel will become president and chief administrative officer; Ralph J. Tying, executive vice president; Joseph C. Nelson, vice president and Webster R. Vause, treasurer.

Norden-Ketay Expects Earnings to Increase To \$750,000 This Year

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Norden-Ketay Corp. will show a "little profit" in the third quarter ended September 27 compared with an undisclosed loss in the like period last year, Perry R. Roehm, president, stated. The company does not issue a third quarter report.

Sales for all of 1957, he forecast, would reach \$30 million and net income would be about \$750,000. That would compare with sales last year of \$22.7 million and a net loss of \$505,280. The company has a tax loss carry forward of approximately \$475,000.

Mr. Roehm said his prediction was based on expectation that the fourth quarter would

turn out to be the best period of the year in terms of sales and earnings.

Second half sales and profits, he said, should be ahead of the preceding six months. For the first half of this year the company reported \$15.8 million in sales and a net income of \$372,000 or 29 cents a share.

Norden-Ketay designs and manufactures weapons systems and aircraft and missile components. At present, Mr. Roehm said, about 60% of the company's business is with the Government either as a prime or subcontractor.

Phileo Plans Transistorized Radio

NEW YORK—Phileo Corp. announced it will market a fully transistorized shortwave radio that will operate on flashlight batteries in November.

The set, which will retail for \$225, will be the first all transistor set to pick up six short wave bands as well as the standard band, the company stated.

The set weighs less than 20 pounds and is approximately 16 inches in width, 11 inches in height and 7 inches in depth.

Move a new home into your house!

New rooms for old from BASSETT

BASSETT

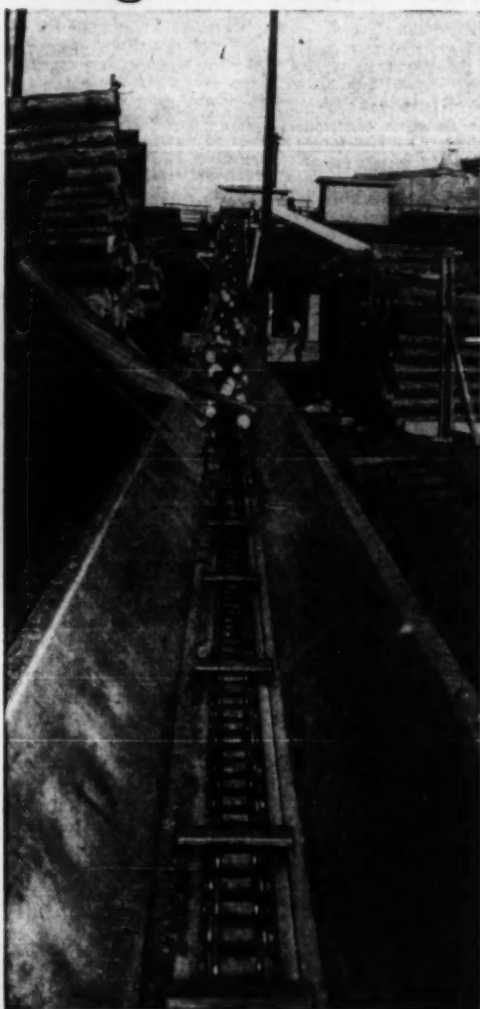
Lovely suites...so easy to own!

New rooms for old . . . from Bassett is proclaimed by all the VanSant-Dugdale September advertising for the world's largest manufacturer of bedroom furniture. A full color spread in *Life* launches this jolting campaign, while retailers tie in with point of sale and newspaper advertising visibly duplicating the national theme (see above). NEW ROOMS FOR OLD marks Bassett's first anniversary of

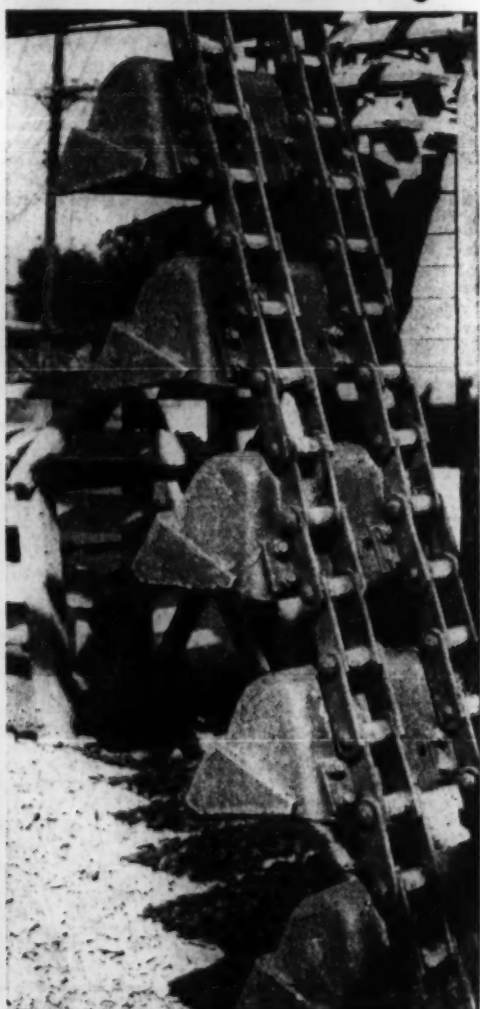
SUCCESSFUL ADVERTISING BY **VanSant-Dugdale** • BALTIMORE

VANSANT, DUGDALE & CO., INC.—ADVERTISING • MARKETING • PUBLIC RELATIONS—BALTIMORE 2, MD.

Long life runs in this chain "family"



BRUTE PUNISHMENT from thousands of pulpwood logs dropped from railcars is shrugged off by Link-Belt C-class chain conveyor. Pusher attachments are also designed by Link-Belt.



CARRIED 375,000 TONS OF STONE. Long past the life of previous chain (60,000 tons), Link-Belt Class SS bushed chain is still good for a long stretch of service.

How Link-Belt designs, manufactures, and applies chain, to improve drive, conveyor and elevator performance

WHAT'S behind the remarkable chain performance reported by so many Link-Belt users? Unequalled metallurgical and design development . . . plus over 80 years of manufacturing and application experience—these are the bases of any recommendation from the world's most complete line of chains

and sprockets. Do you want help in selecting the right long-lived chain for the job? Write LINK-BELT COMPANY, Dept. AV, Prudential Plaza, Chicago 1, Ill.

LINK-BELT

One source . . . one responsibility for materials handling processing and power transmission equipment

✓ *Check the Score...*

STOP !

. . . at your Oldsmobile Dealer's
this week and . . .

LOOK !

. . . at the Olds "88"—lowest-priced
Rocket Engine car. You'll see
a car that tops its field in power,
style, comfort and big-car features. Then . . .

LISTEN !

. . . and you'll hear a price
that says "This is the Rocket
that's easily within your reach!"

Every Week
on CBS-TV
"THE BIG RECORD"
starting
PAGE PAGE



OLDS gives you more!
SEE YOUR AUTHORIZED OLDSMOBILE QUALITY DEALER NOW!

REVIEW and OUTLOOK

Beyond Little Rock

When President Eisenhower and the Southern Governors meet tomorrow to discuss not only Little Rock but the whole question of public school segregation in the South, we think there are a few things that ought not to be obscured by the emotions of the moment.

Legal segregation of the races, in the public schools and elsewhere, is inevitably coming to an end, however slowly.

Desegregation under the law is not the same thing as integration. The one can be achieved by bayonets. The other cannot.

Bayonets can force the abrupt end of segregation only at a terrible cost. The penalties of using Federal military power at local levels will be paid not only by the White Southern community but by the whole nation, including the Negro citizens in whose name the force is invoked.

We have come to our present pass in Little Rock because one or another of these things has been forgotten, or been disbelieved, by the people involved. If they continue to be forgotten, what lies ahead may be worse.

It is not just the Supreme Court decision that makes the end of segregation as a system of law foreseeable. Neither Court decisions nor soldiers can alter the mores of a people. But in this instance the mores of the people are being altered by the pressures of time and new generations. The body politic is coming to view legal segregation as an anachronism. Although the trend may not be so noticeable in the South as elsewhere, it is felt there too. And in time it will carry the day.

Integration is another matter. Legal segregation ends the moment that being a Negro is not by itself a bar to a public place. It is many days' journey from this to being an integral part of the community in the broadest social sense. An

integrated status is something people must win slowly and patiently for themselves.

From these two things, we think, it follows that the Southern leaders who say "never" to the ending of segregation are taking an impossible stand; eventually they will be overwhelmed. Moreover, it is an unnecessary stand, for they are assuming that racial desegregation is the same thing as racial integration.

It also follows that extremists in the North who demand force mistake the remedy. Force is not needed to end a legal segregation of the races in time. Force is futile as a means of achieving anything beyond the merest legal requirement; indeed, it can defeat itself because the very act of using soldiers can drive a wedge between the White and Negro Southerners who have to continue to live together.

But the penalties from bayonets are not alone for Southerners, White or Negro. Although the right of the Federal Government to protect its laws against anarchy is beyond question, the whole country must suffer if that power is to be used on the pretext of a one day's riot. We are on treacherous ground if we make instant and unquestioned obedience by a community the alternative to feeling the full might and power of the U. S. Army.

We hope none of this will be forgotten tomorrow when the President and the Governors sit down together. Little Rock has clearly made necessary a new and realistic appraisal of the implications of the Supreme Court decision. That reappraisal should dissuade the South from any irresponsible notions of nullification and persuade the Federal Government to discard its dangerous flirtation with force.

Ouch!

The Hon. Xenophon Zolotas, governor of the Bank of Greece, has addressed a joint meeting of the International Monetary Fund and the World Bank. Mr. Zolotas noted he had always wished to speak before the assembly in Greek, but realizing he wouldn't be understood, would address the assembly in English which used only the Greek words scattered through our language.

Said he: "I eulogize the archons of the Panethic Numismatic Thesaurus and the Oecumenical Trapeza for the orthodoxy of their axioms, methods and policies, although there is an episode of cacophony of the Trapeza with Hellas."

The Aid of Trade

In the past five years the volume of trade between Eastern and Western Europe has doubled, according to a U. N. economic commission. The commission concludes that this trade expansion has contributed to the economic development of Western Europe.

The conclusion is one you might think is self-evident, but unfortunately it does not appear self-evident to many of our Government officials. The U. S., for instance, has steadfastly opposed East-West trade in the Orient on the grounds that its primary benefit would be to Communist China.

The experience in Europe ought to be a reminder how short-sighted this can be. To be sure the Eastern, or Communist, part of Europe benefited from the trade; Poland, Hungary, East Germany and other Iron Curtain countries have acquired steel and manufactured goods they could not otherwise get. In 1952 there was only a trickle of steel flowing from West to East; in 1955 shipments to the East totaled 400,000 tons; in 1956 it was over a million tons.

But to view this simply as an unfortunate business of "helping the Communist enemy"—even from the strictly military viewpoint—is to overlook two vital factors.

For one, the trade that went East was paid for by trade that came from the East. To take only a couple of il-

lustrations from the past two years: Western Europe gained 1.1 million tons of Eastern grain in 1955; 1.8 million tons in 1956. In the two-year span Western Europe received about 40 million tons of coal from Poland alone.

This tit-for-tat aspect of foreign trade is only a part of the story. The steel that was shipped East, for example, came from West Germany, Belgium, Luxembourg, Italy and Austria. The existence of the Eastern markets contributed to the strength of the steel industries in those countries and hence to their economic strength. In the end, Western Europe will be stronger economically (and in the sinews of war, if defense becomes necessary) because of this foreign trade.

The principle is nowise different in other places. If Japan increased its trade with Red China, that would without doubt help Red China. But if China proved to be a big market, then trade could help make the difference between a weak Japan and a self-supporting Japan.

One of the ironies of our foreign policy is that we spend huge sums of money to aid our wished-for allies and then do our best to hobble their development of foreign trade because all we can see is that their exports may help the Communists. Maybe in time we will recognize that a healthy trade is the best aid our friends can get.

Continental Copper Net And Sales in Fiscal 1958 Are Expected to Top '57

President Says Copper Prices Will Stabilize Around Current Levels

NEW YORK—Sales and earnings of Continental Copper & Steel Industries, Inc., for the fiscal year to end June 30, 1958, are expected to top fiscal 1957, M. S. Gordon, president, said at the annual meeting. Mr. Gordon added he saw no reason to expect any change in the company's 25-cent quarterly dividend.

For fiscal 1957 the company reported net sales of \$68,586,000 and net income of \$3,112,332 or \$1.60 a share on 1,880,138 common shares. That was the second best year for the company, exceeded only by fiscal 1956 when sales were \$73.3 million and net \$4,011,035, or \$2.03 a common share.

Mr. Gordon said sales and earnings in fiscal 1957 had been adversely affected by the sharp decline in copper prices. "We had anticipated a drop in the price of copper," he said, "but the drop was much larger than expected." The copper price decline affected Continental in

two ways: It reduced value of inventory and resulted in lower profit margins for the company's wire products.

Mr. Gordon said he believed copper's price would stabilize around current levels, 26 cents quoted by custom smelters and 27 cents quoted by large domestic producers. Last year the producer price had risen to as high as 46 cents a pound, and custom smelter's quotation had advanced to 55½ cents a pound. Mr. Gordon said there had never before been a drop of this magnitude in the basic major commodity. "We think we have been very fortunate to have taken this in our stride."

Stockholders were told the company has purchased 62 acres in Linden, N. J., for its Hatfield Wire & Cable division. The company plans to construct a plant there for the manufacture of rubber covered wire and cables. Cost of the plant will be about \$4 million to \$7 million, and it will take two or three years to complete, officials said.

Continental's tool steel business has been affected by smaller demand from the automobile industry, but its lifeboat fabrication, and wire screen and alloy divisions were reported to be doing fine. "We feel very relaxed," Mr. Gordon said, "and I don't know of any weak spots."

Asked if the company plans any new acquisitions, stockholders were told "we are working on one right now that may supplement our business, but we have no idea what the final decision will be. There is nothing tangible or concrete to report now."

Letters To the Editor

What Squeeze?

Editor, The Wall Street Journal: Your article "Squeezed Schools" (Sept. 2) was read with considerable interest. I admit the public schools are not doing so good when it comes to turning out a finished product nor are the schools in my town anything to get up and about about, but the salary situation is something different.

Last May the taxpayers of this community woke up one morning to find that the school superintendent here had been very graciously voted by the school board a raise in salary to \$20,000. Population here is a shade over 90,000 so I would say that salary-wise our school superintendent is doing mighty well.

HARRY H. LEFLAN

Burbank, Calif.

With a Grain of Salt

Editor, The Wall Street Journal: The writer of your "Squeezed Schools" article of September 2 nodded when he used for publication, without cautionary comment, the chart of the U. S. Office of Education.

According to the lines on this chart, the increase in students has paralleled the increase in expenditures for their education since 1944. Nowhere in the article was noted taken of the underlying significance of the two contrasted elements of the chart—the increase in cost of their education vis-a-vis the increase in number of public elementary and high school students.

The chart's gimmick lies in the fact that the left-hand scale for expenditures extends from 0 to 12; the right-hand scale for students, only from 22 to 34. Between 1944 and 1957, students increased from about 23 million to about 32 million, an increase of substantially less than 50%; expenditures for their education increased from some \$2 billion to about \$12 billion, an increase of some 500%.

Allowing for a shrinkage of 50% in the value of the 1944 dollar, this still shows a 200% increase in purchasing-power applied to their education, as against only a 50% increase in number of students.

Expenditures have increased to about six times the 1944 level or, as thus adjusted for difference in purchasing power, three times; student-body have increased to less than one and one-half times that level. Indicated annual expenditures per student quadrupled from about \$87 to about \$353, involving the doubling of the purchasing power applied to the education of each student.

In short, we are now spending twice as much (in real money) for the education of each young person as was being spent only 13 years ago.

Thus, contrary to the propaganda being generated by the U. S. Office of Education and the more militant elements of the education profession, education of American youth is not being short-changed. Better school buildings and equipment, smaller classes, higher teacher salaries (in purchasing power, as well as in dollars), have contributed to this great excess in increase of expenditures over increase of students. One takes with a grain of salt the U. S. Office of Education's "estimate" that "This month's record enrollment of 39,084,000 in elementary and high schools alone will have to be crammed into facilities adequate for only 30 million students." "Adequate" is a relative term, depending on how high the standard is set.

CHARLES C. TRELASE

Newark, N. J.

Schools and Dollars

Editor, The Wall Street Journal: In connection with the so-called "school building crisis" I think emphasis should be placed on the fact that there are other public needs and that school authorities should not be given a "blank check."

It makes sense to assume that better schools can be had by spending more money and that high educational standards help to create a healthy economic environment. But it does not follow that the best schools are always the most expensive schools or that the taxpayer public should be asked to provide an ever increasing amount of money for schools without some evidence that they are actually buying an improved school program.

Too often school budget requests are defended in terms of average costs incurred somewhere else instead of analyzing benefits or work programs and balancing them against costs, as is usual for other public services.

Too much auxiliary space for non-academic purposes has the effect of impeding the efforts of local communities to provide needed classrooms. Also, improvements in basic salary schedules for teachers should be publicized as a step in the intelligent recruitment of teachers.

It follows, therefore, that the real need is for effective administration and wisdom in school building planning rather than "X" number of dollars.

WILLIAM J. MCGLOTH

Harvey, Ill.

Hoffman Electronics Trims Estimate of '57 Net to \$2.25 a Share

LOS ANGELES—Hoffman Electronics Corp. will report net income of about \$1,700,000, or \$2.25 a share, on sales of approximately \$40 million for calendar 1957, C. E. Underwood, vice president and treasurer, stated.

Mr. Underwood earlier this year had predicted Hoffman would earn about \$2.45 a share in 1957. In 1956 Hoffman earned \$1,600,000, or \$2.19 a share. Sales last year totaled \$46.8 million, well above this year's expected volume.

Mr. Underwood blamed a stretchout in an Air Force contract, which has set back production schedules in the firm's Hoffman Laboratories division, for the less optimistic outlook. He said the company will earn about 48 cents a share for the third quarter, but that fourth quarter per share income will be held down to about 60 cents instead of an anticipated 80 cents.

However sales and earnings in 1958 are expected to bounce back and top 1957 levels by 20%, Mr. Underwood emphasized. This would indicate net income in the neighborhood of \$2 million, or about \$2.90 a share, on sales of approximately \$48 million.

Spending Fatigue

An Audience Shows It's Fed Up With High State Costs

By JOHN F. BRIDGE

WESTFIELD, N.J.—The voters came to the meeting in their work clothes—neat business suits and sweater-skirt ensembles. By and large they were a cross-section of that numerous group of Americans who are neither very rich nor very poor—white collar workers, junior executives, professional people.

They were people who are restrained, well-mannered but at best outwardly cool toward the world around them. So the observer who had tasted the heady politicking of the Corn Belt fishery wondered if he wasn't in for a dull and colorless evening at the "forum" featuring the candidates for governor.

He was sure it would not be an emotional evening, for the naturally restrained audience would be hearing in New Jersey's Governor Meyner a Democrat whose arguments are mostly intellectual. But the observer was dead wrong. For he had not seen in action the other candidate: New Jersey State Senator Malcolm S. Forbes, a Republican who can turn the heavy subject of government spending into a matter of intense emotionalism for his audience.

The moderator of the forum, staged by the League of Women Voters, announces the theme—"New Jersey's Most Urgent Problems"—and calls on Senator Forbes. He loses no time in launching his thunderbolts. The approach is simple and head-on: You voters have a hard time getting by on your salaries; you have to do without some things you'd like. The state government must do the same.

Unrestrained Response
And the restrained citizens are suddenly unrestrained. The applause is deafening. In this one town, anyway, among its middle class citizens, years of indifference to mounting spending and taxes are gone.

It is admittedly difficult to discern whether Senator Forbes is causing this tide or just grabbing a ride on it. But either way, the mere fact that it exists is important. There are those who expect Governor Meyner to be battling for the Democratic Presidential nomination in 1960 if he can keep his present office in the November election. But Senator Forbes' spending issue is potentially destructive to Governor Meyner locally and therefore as a Presidential hopeful.

Sensor Forbes is only 37. He is editor and publisher of Forbes Magazine of Business and has been a leading advocate of economy in the state legislature for the past few years. As he stands on the Westfield High School platform he is mildly reminiscent of a younger Senator Taft—incisive, articulate and ready enough to let the chips fall where they may. Opponents have noted the similarity, but say it is only that. One describes him as "a bush-league Taft—full of Taft's phrases but without that man's deep knowledge."

He tells the Westfielders of "the 60% rise in the New Jersey budget in the past 44 months"—the length of time the Democrats and Governor Meyner have held the governor's mansion in the state. The Governor, when his turn comes, notes that the Republican-controlled legislature has approved these expenditures. He claims that Senator

Forbes has voted for spending even more than was spent.

Thus the Governor has his innings. He stresses "integrity" in his government—his cabinet of "experts" which includes Republicans as well as Democrats. He asks Mr. Forbes just where he would cut spending. As a logician, and trained lawyer, he seems to turn aside most of the Forbes charges, noting that most of his higher expenditures are for schools, roads and institutions, an challenging assertions of general inefficiency. He repeats a pledge that taxes will not be raised.

But time after time the State Senator comes back to his theme, the theme that gets the applause, even though there are no details: The rise in state spending must be stopped—the rise that foreshadows higher taxes. "Within the framework of the present budget, I would hold down spending. I would call my cabinet around me and tell them—you must hold your spending at the present level as a ceiling. You must act like the heads of the families who pay taxes. You must say I have so much income to spend. I will spend it thus and so and give up things I cannot afford."

What Government Takes

And he philosophizes: "Every function of the family that is taken by government takes from the family's sense of responsibility. And every service has its price. And with the paying of the price by the family through taxes, the family loses that much more ability to handle its problems."

The enthusiasm he raises touches most segments of the middle class audience. It is not surprising that the pocketbook approach touches many. But one can wonder about some of the town's numerous "sophisticates."

You can wonder because of the man sitting beside you. An engineering theorist for a mammoth corporation, he commutes daily to New York City: some 20 miles away, nurses a string of psychosomatic ills and is outwardly as emotional as his slide rule. As he takes his seat, he cocks an ear at the public address system playing the inevitable Sousa march quite softly and perhaps in high fidelity, and quips: "Get the mood music."

But 20 minutes later he joins in heavy applause for the Senator's very general denunciation of the evils of high taxes. And when the Senator in a few sentences gets from high taxes to still higher taxes to Meyner to impending socialism, his applause is thunderous.

Jammed Hall

And the High School auditorium is jammed. The law abiding standees in the aisles politely refuse to budge when the fashionably attired moderator of the forum, Mrs. Donald E. Van Dyke of the League of Women Voters, politely asks the policemen to make them do so, and the police politely ask them to do so.

It is a very polite standoff all around. But still there is the undercurrent of intense and ill-restrained enthusiasm for promises to hold down spending and taxes. Whatever it means in state and national politics, in this community spending has plainly become a potent issue for arousing an audience.

Northeast Air Delays Accepting 5 Britannia Planes Until Next Fall

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Delivery of five turboprop Bristol Britannia airliners to Northeast Airlines has been postponed to next fall, Peter G. Masfield, managing director of Bristol Aircraft, Ltd., of Great Britain, announced.

Mr. Masfield said the delay had been made necessary by modifications required by the U. S. Civil Aeronautics Board that would have prevented Northeast from receiving fully certificated planes in time for the heavy 1957-58 winter Florida travel season.

George E. Gardner, president of Northeast, said his company had not changed its opinion that the Whispering Giant Britannia is the right aircraft for the New York-Miami run. In view of the uncertain certification, however, Northeast decided to postpone delivery. If the C.A.B. grants the certificate, in time, Northeast will accept the planes next fall, Mr. Gardner indicated. He said Northeast is seeking to acquire additional four-engine planes to supplement its 10 Douglas DC-6B aircraft. Some of them may be used planes, he stated.

Mr. Masfield said negotiations with Howard Hughes, who controls Trans World Airlines through his ownership of Hughes Tool Co., concerning the purchase of a minimum of 15 Britannias, are continuing. Another Bristol offer, however, said that some decision one way or the other would probably have to be reached fairly soon.

Mr. Masfield also said the problem of icing of the carburetor on the Britannia occurred only in tropical climates at altitudes of 16,000 to 22,000 feet, and that it would not affect operations over the North Atlantic or in the United States. He also expressed his confidence that the problem would soon be eliminated entirely.

Louisiana Corrects Oil Allowable

BATON ROUGE—The Louisiana Conservation Department announced a correction in the state oil production allowable for October, reducing the previously announced figure by 3,000 barrels to a total of 774,428 barrels a day.

PEPPER....and Salt

Twisted Shakespeare

Richard Armour, who last year had fun with famous women of history in "It All Started With Eve," has now written a shrewdly crazy book on the Bard, entitled, "Twisted Tales From Shakespeare." (McGraw-Hill). It is dedicated "to the memory of Shakespeare, which was certainly better than mine. Here is an excerpt from "Macbeth," one of the six plays retold.

Meanwhile, Lady Macbeth, who has been trying to remove Duncan's blood from her hands for weeks, keeps washing them without any luck (or Lust, either). When she isn't washing them, she is wringing them.

"Out, damned spot!" she shrieks, losing her temper and foolishly thinking an imprecation will succeed where cleansing fluid has failed. Self-possession as she was in the first act, she is now a bundle of nerves, and none too securely bound together.

Night after night she walks in her sleep, muttering about blood and Banquo's ghost. Unfortunately the court doctor hasn't even a love seat, much less a couch, in his office. He is therefore "unable to minister to a mind diseased," and stands helplessly by.

"What's done cannot be undone," Lady Macbeth mutters, struggling with a knot in her stomach. As she sleepwalks, she carries a candle in her hand, leaving a trail of tallow drippings.

Finally Lady Macbeth dies, leads a charmed life. Only



"What are you trying to do, put Europe on its feet all by yourself?"

this being the only way she can give up the ghost. Macduff, Malcolm, and their army are now at Birnam Wood, while Macbeth remains at his castle at Dunsinane. "Tomorrow, and tomorrow, and tomorrow," he says over and over to himself, riling like the sound. Alarm clocks commence to go off, signaling the beginning of the battle. Macbeth rushes to the field, still thinking he leads a charmed life. Only

The Theatre

Tough and Tender

West Side Story, a musical presented at the Winter Garden by Robert E. Griffith and Harold S. Prince. Book by Arthur Laurents, music by Leonard Bernstein, lyrics by Stephen Sondheim. Jerome Robbins directed and did the choreography. Irene Sharaff did the costumes and Oliver Smith the settings. Carol Lawrence, Larry Kert, Chita Rivera, Art Smith, Mickey Calin and Ken Le Roy have leading roles.

New York City

The American "musical" stage, with its South Pacific, its Guys and Dolls and its Porgy and Bess, proved that it has still another dimension when West Side Story opened at the Winter Garden.

Musicals of the past have usually been dominated by the composers and lyricists, but here is one dominated by a choreographer, Jerome Robbins, whose idea it was that the story of Romeo and Juliet could be set in modern juvenile gangland.

Although Leonard Bernstein has composed a supercharged score, Arthur Laurents has written an excellent book and Stephen Sondheim added quite appropriate lyrics. It is the tremendous pace and vigor of the dancing and the movement of the young people about the stage which makes West Side Story such a tough, tender and wonderful evening.

Instead of Montagues and Capulets, the warring clans are the Puerto Rican gang known as the Sharks and the "native" gang called the Jets. Maria, a Puerto Rican girl, is West Side Story's Juliet. She is beautifully played, sung and danced by Carol Lawrence, who under Mr. Robbins' direction gives us an immensely moving portrait of a fine individual caught in one of life's uglier whirlpools. As her lover, the Romeo of the piece and a member of the Jets, Larry Kert gives an equally excellent performance, and their scenes together are as tender as the rest of the play is violent.

The casting could hardly have been better. Mickey Calin, Tommy Abbott, Frank Green and Lowell Harris, as the leading gang members, excel both as actors and dancers. They stage a harrowing gang fight (the rumble) and one encounter with switch-blade knives, simulating the duel between Tybalt and Mercutio, is more realistically staged than any theatrical duel within recent memory.

Among the feminine contingent, Chita Rivera provides a fiery substitute for Juliet's nurse and confidante. Art Smith is on hand as the kindly keeper of the store where the gangs assemble, and Arch Johnson and William Bramley play the part of the Law, which is as bewildered as the youngsters over how to handle the passions of the seething city jungle.

There is little preaching in West Side Story. There are no social workers to remark on the pity of it all, no lengthy explanations of the young semi-hoodlums or of how they got that way, although there is one comic scene (about the only light one of the evening) where some of the Jets jeeringly express their reactions to reform. But they are not articulate enough to go beyond the jeer and to examine the furious drives which force the strutting and the fighting.

Instead, Mr. Robbins has translated into physical movement of the most vigorous sort the energies which underlie gang behavior. The Jets and Sharks not only dance; they leap, they vault high fences, they fight with enthusiasm. Mr. Robbins' choreography is so skillful that one hardly knows where it stops and sheer undisciplined action begins. And there is a single lyric scene where Maria and her lover dream of a different life which is by contrast all the more arresting.

West Side Story, like Romeo and Juliet, is a tragedy, and it is tragedy which seems, at least for a time, to settle the boiling spirits of Jet and Shark and move them toward some sort of understanding. Mr. Bernstein can on these solemn occasions relax his strident musical exhortations into the calm of a chorale, and I doubt there will be anyone in West Side Story's audiences who will leave the theatre without that sense of subdued wonder for which many plays strive but which few achieve.

—RICHARD P. COOKE

Poor Little Rich Girl

Many years ago, in what is now nostalgically referred to as the Jazz Age, there was a song called "Poor Little Rich Girl," lamenting a frenzied life and posing the question: "Cocktails and laughter, but what comes after, nobody knows."

Well, up at the Cort Theatre, those curious enough to obtain tickets for Thomas W. Phipps' play Four Winds may find a contemporary answer, of sorts. The poor little rich girl has now become a poor little rich matron, with three husbands in her past and one in her immediate future.

But despite the presence of the attractive Ann Todd as Davina Mars and some competent enough performances by such experienced trouper as Conrad Nagel, James Rennie, Luella Gear and Peter Cookson, Four Winds is more a parade of people through a patio (the scene is set in the area of Davina's Palm Beach establishment) than a play. It doesn't have the character development or the inventive playwrighting needed to make it interesting.

R. P. C.

THE WALL STREET JOURNAL

DOW JONES & COMPANY, INC.

Founded 1882

44 Broad Street, New York 4, N. Y.

Telephone HANover 3-3115

BERNARD KILGORE WILLIAM H. GRIMES
PRESIDENT EDITOR

Subscription Rates: (United States, Territories and Possessions and Canada) \$20 yearly, six months \$11, three months \$6, one month \$2.57. Less than one month 15 cents a copy. Postage paid.

To other countries, \$25 yearly, six months \$15.50, three months \$8.25, one month \$3.42. Postage paid. Published daily except Saturdays, Sundays and general legal holidays.

NEWS OFFICES: BOSTON, CHICAGO, CLEVELAND, DALLAS, DETROIT, JACKSONVILLE, LOS ANGELES, MONTELEONE, NEW YORK, OTTAWA, PARIS, PHILADELPHIA, PITTSBURGH, PORTLAND, ORE., SAN FRANCISCO, ST. LOUIS, TOKYO, TORONTO, WASHINGTON, D. C.
The Associated Press is entitled exclusively to the use or republication of all news dispatches credited to it or not otherwise credited in this paper and local news of spontaneous origin published herein. All rights of republication of special dispatches herein are also reserved.
Member of Audit Bureau of Circulations
Re-entered as second class matter July 28, 1951, at the Post Office at New York, N. Y., under the Act of March 3, 1879.
Change of Address: To avoid possible interruptions of service, subscribers should promptly notify not only local postmaster but also The Wall Street Journal, giving old as well as new address.

Business Milestones

Florence Stove Stockholders To Vote on Sale of Unit

CHICAGO—Stockholders of Florence Stove Co. will meet November 14 to vote on a recommendation by the directors that the company sell its space heating business and Lewisburg, Tenn., plant.

Under a plan approved by Florence Stove directors, the purchaser will be Heil-Quaker, Inc., a new company to be jointly owned by Heil Co., Milwaukee, and Sears, Roebuck & Co.

A Florence Stove official said the space heating business and plant will be sold for book value. At the time the transaction is completed, he said, this would be about \$5 million.

If the plan is approved, each stockholder of record on November 29 will be invited to tender to the company, for purchase at \$31.50 a share, one share of stock for each three shares held. The stock would be tendered between December 18, 1957, and March 14, 1958.

There are 367,080 common shares outstanding. The stock closed Friday on the New York Stock Exchange at \$19.75.

Harvester Sells Factory To Indiana Citizens' Group

CHICAGO—International Harvester Co.'s farm implement factory at Richmond, Ind., is being purchased by Richmond Industrial Center, Inc., a local citizens' group. Harvester announced a year ago it would permanently discontinue its Richmond operation and has been gradually curtailing production.

The factory's purchase price was not disclosed. The sale becomes effective November 1. Wilson L. Magaw, president of the Richmond group, said the citizens hope to sell or lease parcels of the plant.

The property covers more than 10 acres and includes some 625,000 square feet of building area. Foundry machinery and 300 machine tools left in the plant are included in the sale.

Allied Chemical Sets Expansion

NEW YORK—Allied Chemical & Dye Corp. is proceeding at once to double the capacity of

its caprolactam plant at Hopewell, Va., Glenn B. Miller, president, stated. Caprolactam is a basic raw material for making nylon fibers and plastics. The new program will increase the capacity of the plant to 60 million pounds a year.

Mr. Miller said caprolactam is sold to other producers of synthetic fibers and nylon plastics and is used by the company in the production of its own new nylon fiber, Caprolan. The plant uses an original process first placed in operation in 1955.

General Tire Acquires Firm

CLEVELAND—General Tire & Rubber Co. of Akron is widening its line of industrial rubber goods through the acquisition of Castle Rubber Co., a closely-held company headquartered in Butler, Pa.

General Tire declined to disclose terms of the acquisition of the Pennsylvania firm which employs 375. A General Tire spokesman said Castle Rubber does an annual business volume of about \$3 million.

Castle produces large rubber-covered rolls for the steel industry, other wrapped mechanical rubber goods, specially designed snubbers used in oil wells, chemical linings for containers and a variety of other rubber products made to customer specifications.

"The acquisition brings to General Tire a group of entirely new products," W. O'Neill, president, said in an announcement. "and enables us to offer a more comprehensive line of industrial rubber goods."

National Tea Acquires Chain

CHICAGO—National Tea Co. acquired Devan-Horner, Inc., a chain of seven super markets in Mobile, Ala. The cash terms were not announced.

National Tea last week acquired the nine-store chain of Logan Super Markets in Nashville, Tenn. The acquisitions are part of the company's program to expand into "gap areas" existing between the firm's regional branches.

Fulton Bag Sells Denver Plant

DENVER—The newly-formed Fulton-Denver Co. has purchased the plant here of Fulton Bag & Cotton Mills Co., W. Jay Slifer, presi-

dent of Fulton-Denver, announced. Purchase price was not disclosed.

The plant has four giant, cut-fold and print machines, each capable of printing four colors at one time. The machines produce a full line of burlap, cotton, mesh and multi-wall paper bags. Capacity of each machine is between 20,000 and 25,000 bags daily.

Government Acts to Permit Wider Use of Titanium

WASHINGTON—The Government acted to permit producers of titanium mill products to try and develop greater commercial uses.

It said that starting in October, these producers can devote less of their capacity to defense orders.

At present, producers of titanium mill products must accept defense orders for up to 90% of their scheduled production. Under a new directive of the Business and Defense Services Administration, starting in October they need accept rated orders only up to 75% of scheduled production.

B.D.S.A. officials explained producers of titanium mill products had greatly increased their capacity; with the result capacity is now considerably in excess of that needed to meet defense requirements. They said the new directive would permit producers to increase their efforts to develop commercial applications for the metal, since they can now schedule and deliver unrated orders with less likelihood that these will be displaced on their schedules by orders with defense ratings.

Ex-Cell-O

EX-CELL-O CORP. and wholly-owned subsidiaries report for nine months ended August 31:

	1957	1956
Earnings per share	\$2.20	\$2.52
Sales & income from leased mach.	129,909,030	106,669,864
Net before income taxes	23,892,259	21,769,962
U.S. & Can income taxes	12,246,845	11,248,374
Net income	11,645,414	10,521,588
Capital shares	3,630,160	3,529,720

a-Includes sales and earnings of Cadillac Cane Co. and Smith Bearing Co., acquired December 1, 1956. b-Adjusted to reflect two-for-one stock split in April, 1957.

For the six months ended May 31, last, net income was \$8,174,440 or \$2.25 a share as compared with \$8,258,294 or \$1.80 adjusted for two-for-one stock split in April, 1957, in the like 1956 period.

Income orders of Ex-Cell-O Corp. received during the third quarter are not sufficient to offset shipments for this period, and as a result the backlog has continued to decline, H. G. Bixby, president, said.

A stretch-out of defense orders will cause a reduction in sales for the fourth quarter, he added. But it is not expected to be a substantial decline. Earnings for the entire year, he added, will be slightly in excess of earnings for 1956.

UAW Strikers at Deere & Co. Plant Set to Return Today

Chicago—Some 600 United Auto workers at Deere & Co.'s John Deere Planter works in Moline, Ill., are scheduled to start back to work today after a vote by union members Saturday to call off their strike over piece-work grievances.

Production at the plant was halted last

Wednesday. The dispute involved some 74 grievances, some long-standing, over incentive standards for piece work. Alvin Sersig, union local president, explaining the back-to-work vote, said "conditions have changed" since many of the grievances had been processed for strike action. "The men just felt the grievances weren't strong enough to warrant a loss of wages in continuing the strike," he said.

No further action is expected on the 74 specific grievances which caused the strike.

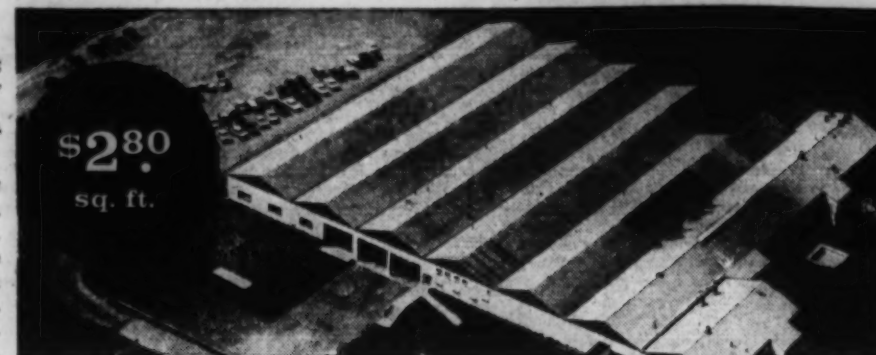
Mexico Tramways Assets Rise

TORONTO—Mexico Tramways Co., a Canadian investment company, reported total net assets of \$4,266,264 on June 30, up 29% over assets a year earlier. Net asset value per share on June 30 was \$16.46 a share compared with \$12.75 a share on June 30, 1956. The company, formed to operate a tramways system in Mexico City, became an investment company in 1953.

Finished cost of 100' x 300' plant addition

\$280 sq. ft.

... including STEELCRAFT STANDARD STEEL BUILDINGS, delivery, foundations, footings, piers, slab, complete erection, installed insulation, misc. structural steel, special sheet metal work, painting, truck dock ramp.



Kawneer Company, Cynthiana, Ky., bought Steelcraft buildings for original 250' x 300' plant ... recently reordered the new 2-span addition.

The beauty of building with Steelcraft is that you have the freedom to build as basically as you choose, as Kawneer did, or you can include unlimited architectural refinements—and still build for less cost than "conventional" construction. No matter what "skin" you desire, a standardized framework will save you money

right from the start. And you will obtain a thoroughly pre-engineered structure, precision formed and fitted to insure strength and permanence.

Find out how a Steelcraft standard steel building can save you thousands of dollars, months of waiting, large outlay of capital. Mail this coupon now.

Now! Steelcraft offers complete financing arrangements!



you can afford to be particular with

The STEELCRAFT

Manufacturing Co., Dept. 8-930-E
9017 Blue Ash Road, Cincinnati 42, Ohio
Send me your Steelcraft Standard Steel Building Catalog, describing building types, construction details, and applications.

Name _____
Company _____
Street _____
City _____ State _____

STEELCRAFT standard steel buildings

If you've had to wait
for America's most wanted tire
... we're sorry

The stronger ... safer

GENERAL DUAL 90

built with 2 Treads and Nygen® Cord

Now, after a period of short supply caused by public demand, your General Tire Dealer once again can offer you the exciting new General Dual 90 in all sizes and without waiting. Drive in today and see for yourself why motorists everywhere are applauding the magnificent performance of the General Dual 90.



Now available at your

General Tire Dealer or your

favorite automobile agency

THE GENERAL TIRE & RUBBER CO.

Fiscal Reversal? Transfer of U. S. Jobs to States to Be Blueprinted

Continued From First Page

housing, relief, public works. This fiscal year's scheduled outlays range from \$190,000 to help state marine schools to \$1.7 billion for public assistance payments to the aged, blind, dependent children and other needy people. Sometimes the state or local unit must chip in; sometimes it doesn't. The money is apportioned among states according to population, need, per-capita income, state spending and other yardsticks. In practically all cases, the recipients must meet certain Federal standards and must accept certain Federal supervision from Washington.

For some time there's been talk of trying to reverse this grant trend. Early in this term, President Eisenhower set up a Commission on Intergovernmental Relations, headed originally by Clarence Manion, former dean of the Notre Dame University Law School. When Dr. Manion was dropped for his outspoken conservatism, Meyer Kestbaum, president of Hart Schaffner & Marx, the Chicago clothing-making firm, took over. In 1955, his group put out a report which was voluminous but not too concrete in recommending Federal-state shifts.

This year, in a speech to the Governors' Conference at Williamsburg, Va., in June, President Eisenhower proposed a new effort to reverse the trend. He suggested a joint task force of top Federal officials and governors to discuss and agree on specific Federal programs which could be abandoned in return for surrender of specific Federal tax sources.

The governors "bought" the idea, and the Joint Federal-State Action Committee came into being. The Federal members, headed by Mr. Anderson, include such top-level officials as Budget Director Brundage, Labor Secretary Mitchell, Health and Welfare Secretary Folsom, and former Arizona Governor Howard Pyle, the President's special assistant on intergovernmental relations.

The governors' group, besides Mr. Dwinell, includes the chief executives of Maryland, Nebraska, Idaho, Texas, Mississippi, Rhode Island, Pennsylvania and Kansas. Mr. Stratton, chairman of the executive committee of the Governors' Conference, also has been taking an active role.

The Federal-state committee held its first meeting in Hershey, Pa., last month. Making unexpectedly swift progress, it chalked out various areas for staff study. The studies now are complete, and the staff recommendations pretty firm. If they're followed, the Federal-state committee will recommend that these Federal spending programs be turned over to states and cities:

School Lunch: Right now, the Federal Government makes cash grants to the states for buying food and milk used in lunches for school children. Termination of these grants would save Washington about \$160 million a year. Uncle Sam would continue to provide the states with surplus foodstuffs bought under price-support programs.

Old-Age Assistance: The Federal Government now gives the states liberal allowances to help needy old folks. It provides four-fifths of the first \$30 a month paid each old person and half the rest up to a \$60 maximum. It's now proposed that the Government shouldn't put up more than half the share of assistance given persons also drawing Social Security benefits. The change would cut Federal spending \$100 million a year.

Vocational Education: It's proposed to end Federal grants for helping train students in agriculture, trade and industry, home economics and other "vocations." As a result, Federal outlays would drop \$40 million annually. "This is a classic example of how some grant programs hang on forever," declares a Federal expert. "This program started in 1917 to stimulate states to enact vocational education programs. Now the states, cities, unions, industry, private organizations, the armed services and others are spending hundreds of millions a year on vocational education. But Uncle Sam still puts out \$40 million a year to 'stimulate' the program."

Water Pollution: The Federal Government now is budgeting about \$50 million a year for grants to help states and local governments build plants to purify streams. It's proposed to abandon this program and give full responsibility to states and cities.

Natural Disaster Relief: The committee will be asked to suggest a minimum that states must spend on disaster relief before they can turn to Uncle Sam for aid. Now the Federal Civil Defense Administration makes grants to clear debris, set up temporary housing and otherwise help localities dig out from storms and other disasters. "One state came to the Administration for less than \$7,000 of help," a member of the committee reports. "How ridiculous can a program get, when a state can't find \$7,000 somewhere in its own pockets?" The Federal budget sets aside \$16 million for spending on this program this year.

The task force staff hasn't had much difficulty finding Federal taxes that can be given up. The local phone and admissions taxes, for instance, do not figure essentially in the Federal tax scheme, and can be easily levied at the state and local level.

The big tax on this list is the 10% tax on

local phone service, which this year is slated to bring \$370 million into the Treasury. The 20% tax on club dues and initiation fees this year will bring in \$60 million and the 20% tax on cabaret entertainment \$45 million. The 10% admissions tax, levied on tickets costing over 90 cents, also is slated to raise \$45 million this year. Federal taxes on safe deposit boxes, coin-operated amusement devices, bowling, billiards and pool together raise just under \$35 million a year.

Delay on Gift Tax

The Hershey meeting also suggested giving states a larger share of gift and estate-tax revenues, from which the Treasury gets \$1.5

billion a year. A 40-page Treasury study now concludes that changes in this complex area had better wait.

After the Federal-state committee deals with the current agenda, it probably will start work on additional shifts. Some officials think the Government can cut back some housing programs, curtail old-age assistance further and withdraw part way from the water resource project field. As for revenue sources that the states are eyeing, high on the list are Federal cigarette and gasoline taxes.

The task group also may take up proposals for new Federal aid to states—to help combat juvenile delinquency, help pay for higher education, and step up mental health programs.

"This may be one of the most important continuing jobs of the committee," a member declares. "The committee can serve as a place where Congress and the Administration can bounce demands for new Federal spending. It can find out from the governors what the

needs for Federal intervention really are."

This official obviously expects the task force to oppose most new grant programs.

Even after agreement at Chicago, there still will be a long way to go, committee members agree. Many groups can be expected to fight the recommendations bitterly, particularly because action on them might set a precedent. Unions and "liberals" who have traditionally sought large Federal spending will argue there's no guarantee that states actually will carry on the programs the Government is giving up.

Counting on the Public

"We can't guarantee the states will take over," concedes a Federal official. "All we can do is come out with recommendations and hope public opinion does the rest. If the demand for the service is there that these groups say there is, the states will be forced to act."

Many mayors probably will oppose the committee's recommendations. At a recent meeting of the U. S. Conference of Mayors, the

fear was widely expressed that rural-dominated state legislatures would prove less generous to cities than Uncle Sam has been.

The views of governors, mayors and other local officials will come out in the open in weeks ahead during the Fountain committee's hearing. They'll get under way in Boston today. Later hearings, running into December, will be held in New York City, Chicago, Kansas City, Denver, San Francisco and elsewhere.

The hearings will attempt to draw out just where state and local officials think Federal spending can be cut back—if they think it can. Questionnaires sent out months ago to these

officials turned up many demands for greater, not less Federal spending.

On the other hand, the recommendations of the Federal-state group undoubtedly will get a big boost from the economy sentiment stirred up this year by the President's record peace-time budget.

BRISTOL STEEL
AND IRON WORKS, Inc.

Bristol, Virginia

DESIGNERS
FABRICATORS
ERECTORS

Dependable Steel Service Since 1908

Amazing Pocket-size Recorder Does Big on-the-spot Recording Job—Plays Back Immediately!



MINIFON P55-S GETS EVERY WORD OF IMPORTANT INTERVIEW!

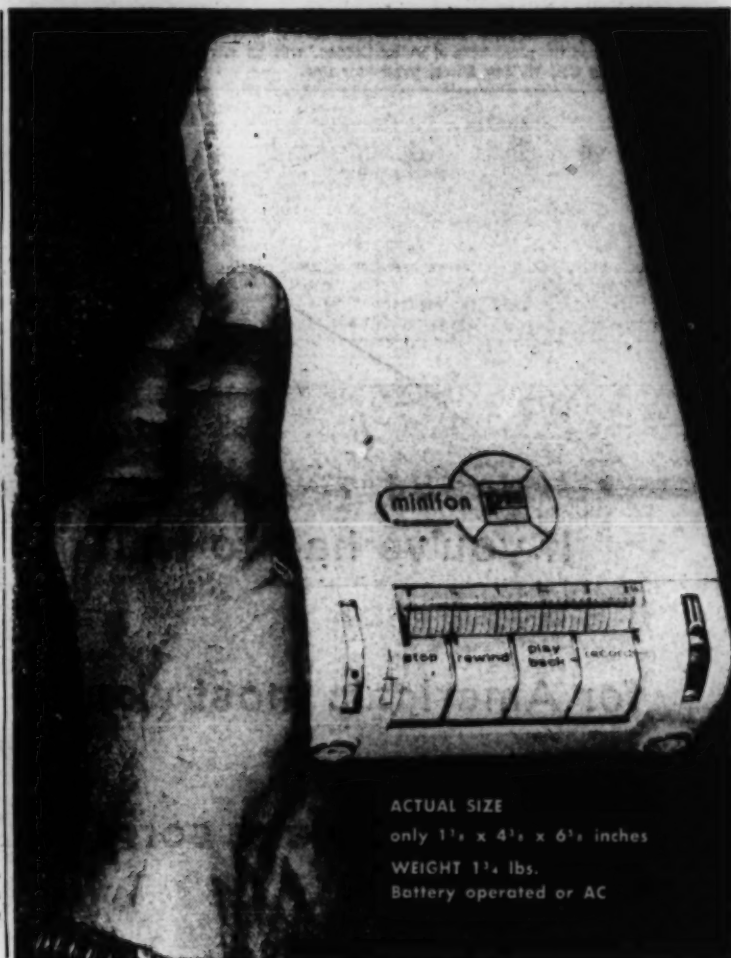
Detroit, Michigan...

When a nationally famous industrialist visited midwestern city he was interviewed by the press. News reports are sometimes complete, sometimes edited and often omitted for lack of space. Fortunately the host in this instance was equipped with a MINIFON and got every word of a conversation that was vitally important. Noted guest was at ease during interview as the inconspicuous MINIFON inhibits no one.

MINIFON is the world's ONLY AUTOMATIC PUSH-BUTTON POCKET RECORDER, a high-precision and virtually foolproof midget originally designed for military and diplomatic secret service work and now widely used in business, industry and the various professions and trades. It is the most perfect instrument ever conceived for taking the pulse of a business situation or for obtaining data not otherwise obtainable. It is also the perfect pocket secretary, and the only infallible memory of the spoken word that a person can carry in his possession.

The actual use of a featherweight Minifon recorder is too simple to need much explaining. You just stick it in a pocket and use the tiny mike under your lapel (or wear the facsimile wrist-watch mike or tie-clip mike!), and when you want to record your words—or the words of anyone within about twenty feet—you simply put your hand in your pocket and press a silent switch. You can record up to 2 hours of talk on a single "record" (wire reel), and the "records" are so small and light they can be mailed.

The fascinating thing about Minifon is its unparalleled usefulness in the modern world's daily work—in your daily work, providing it is work having a vital connection with people and a "pulse" to which you must hearken. The following examples will make some phases of this usefulness very clear.



ACTUAL SIZE
only 1 1/2 x 4 1/2 x 6 1/2 inches
WEIGHT 1 1/2 lbs.
Battery operated or AC

"MINIFON P55-S DOES BEST JOB" SAYS LEADING EXECUTIVE!

Boston, Massachusetts...

"I've tried other types of recorders and have discarded them all since I learned about MINIFON." Nothing can match the convenience and lightweight of this remarkable pocket-size, highly faithful recording instrument. Today major industrial concerns insist that their executives carry Minifon recorders on all business trips, because Minifon is the only foolproof way to record on-the-spot information from contacts in the field. Minifon hears everything said and forgets nothing—eliminates the time, labor and errors-of-memory that go into written reports. And a Minifon with automatic push button controls will take dictation anytime, anywhere, under any conditions—you can even "talk to it" while driving a car or flying a plane!

UNSEEN EARS OF MINIFON P55-S, A VALUABLE AID TO SCIENTISTS, ENGINEERS, RESEARCHERS, BUSINESSMEN, PROFESSIONALS

Los Angeles, California...

Field research and investigation in all sections of science, education, industry and communications are being remarkably served by MINIFON, world's smallest and lightest and ONLY pocket-size recorder that plays back faithfully and immediately after recording, everything that is within hearing of its sensitive recording mechanism.

Today many industrial relations and personnel people make secret Minifon recordings of plant interviews and informal talks with employees and job applicants. Needless to say, the purpose is not to trap people in damning statements, but to discover those individual desires and facets of personality which any intelligent employer tries hard to recognize and to fit into the overall pattern of his operation.

Today the more forward looking department stores equip their "professional shoppers" with Minifon recorders. Minifon recordings of department store sales transactions dis-



close much more than the relatively unimportant individual ability of the sales person. They disclose the effectiveness of the store's sales training methods, public opinion of items of merchandise, public reactions to typical sales situations—and many other customer and employee attributes which have direct bearing on the store's profits and losses.

Today Minifon recorders are used by most of the recognized business research organizations, poll takers, etc. Interviews recorded by invisible Minifon have been proven much faster and much more informative than those taken down with pencil and paper—and the answers of those interviewed are less inhibited, more pertinent to the issue.

Executive Carries "Secretary" in his Coat Pocket

New York City...

About to board a United Air Lines Executive flight, businessman will dictate as he flies through the air with the greatest of ease. In his pocket is his blonde travelling secretary, weight only 1 1/2 lbs. He will be inconspicuous because a tiny microphone will take down his notes and he can dictate up to 2 hours on one reel. When he reaches his destination a secretary will use the featherweight headphone accessory, push the button to "play-back" and will then transcribe easily and comfortably her employer's airborne Minifon notes!



For a demonstration see your office equipment, electronic or industrial camera dealer or mail coupon below!

If Your Son Is Over 21,
send him a gift subscription to
THE WALL STREET JOURNAL

Mail coupon today...

The Wall Street Journal
44 Broad Street, New York 4, N. Y.

Please send subscription as a gift from me for a period of _____ to _____

Address _____
City _____ State _____

Send gift card in my name.

Signed _____
Address _____
City _____ State _____

☐ CHECK ENCLOSED ☐ BILL ME.

Rates: \$20 a year, \$11 for 6 mos., \$6 for 3 mos. in U. S. and Possessions, and Canada. Foreign: 75¢ a month additional. E-2

GEISS-AMERICA, CHICAGO 45, ILLINOIS, Dept. W.S. 9
Exclusive U.S.A. Importers

YES! I am interested in the remarkable pocket-size MINIFON P55-S recorder. Please send me completely illustrated brochure.

Name _____
Name of Company _____
Address _____
City _____ State _____

My special interest in a miniature recorder is for _____

A FEW VALUABLE FRANCHISES OPEN FOR LIVE DEALERS!

British Propose Free Trade Area Between Britain and Canada

Many at Commonwealth Meeting Call Plan Impractical; Thorneycroft Concedes "Difficulties"

By CARTER HENDERSON
Staff Reporter of THE WALL STREET JOURNAL
MONT TREMBLANT, Que. — The British government has informally proposed that a free trade area be set up between Britain and Canada, but concedes the plan faces a difficult path.

Many delegates to the Commonwealth Finance Ministers Conference at this ski resort village, however, took an even dimmer view of the plan's prospects. They assessed it as practically unworkable, and chiefly a political gesture.

As outlined at the conference, Britain proposes gradual reduction and eventual removal of tariffs on shipments between the two countries over the next 10 or 15 years.

It is primarily designed to increase British sales to Canada at the expense of United States exports to the Dominion and is Britain's answer to a suggestion by Canada's new Conservative Prime Minister, John G. Diefenbaker, that as much as 15% of Canada's trade with the U. S. might be switched to the United Kingdom.

At a weekend press conference, the British Chancellor of the Exchequer, Peter Thorneycroft, conceded the establishment of a free trade area "arouses great difficulties and complexities for the Canadian government as it does for mine."

But the Chancellor was ready to disclose a few of the items in a long list of specific goods Canada could buy from Britain instead of the U. S. Included were cars, textiles, machinery and electric power generators.

Buy British, He Urges

Mr. Thorneycroft also suggested more Canadian government buying might be done in Britain instead of in America. "It is good to see," he remarked, "if we can't buy from a member of the Commonwealth family first."

Canadian Finance Minister Donald Fleming was unwilling to comment on whether the British proposal of a free trade area would be sympathetically received by the Canadian government. The matter isn't even going to be discussed generally until the Canadians meet with the British delegation Wednesday and Thursday in Ottawa.

Mr. Fleming was quick to say, however, that Britain's proposal presented "formidable difficulties." At least one of these difficulties would presumably be the so-called "most favored nation" compact which Canada has with a number of countries outside the Sterling Area. Canada of course uses its dollar as the basis for its monetary system and is the only British Commonwealth country outside the so-called Sterling Bloc.

The favored-nation agreements, under the

International General Agreement on Tariffs and Trade, call for the signing nations to levy tariffs on each other's goods at the lowest rates they grant any foreign country.

Negotiations now taking place in Europe under the General Agreement on Tariffs and Trade and the traditional economic relationship between the United States and Canada, which would be awkward to change, are believed to be other difficulties the proposal faces.

Nobody knows for sure whether a whittling away in Anglo-Canadian tariff barriers could accomplish such a sizable switch in Canadian importing—to British goods from American—as Mr. Diefenbaker urges.

Political or Practical?

In fact the 15% switch would be so large—equivalent to well over \$600 million on the basis of last year's figures—and the problems surrounding the change so formidable, that many delegates to the Finance Ministers' conference are wondering if the British proposal is more political than practical.

Last year American exports to Canada totaled \$4,166,700,000. Britain, on the other hand, sold Canada \$484 million worth of goods, while its imports from the Dominion ran to \$818 million.

A 15%, or \$600 million, switch in Canadian buying from the U. S. to Britain would thus let the United Kingdom wipe out its trade gap with Canada and have better than \$300 million left over either to buy more Canadian goods or shore up the Sterling Area's faltering gold and dollar reserves. These reserves were down to \$2.1 billion at the end of August. One use of this hoard or hard money is to shore up the value of the British pound, which is pegged by the government at \$2.78 to \$2.82 to the U. S. dollar.

But diversion of Canadian imports from the U. S. to Britain would also cut into Canada's severe imbalance of trade with America. Last year, for example, Canada bought \$1,287,600,000 more goods from the U. S. than it sold there.

This excess was paid for with dollars that have been pouring into Canada from U. S. investors in this country's industry.

Minister Needs Support

Some delegates at the Finance Ministers Conference thus suggest Mr. Diefenbaker's suggestion of a 15% switch in trade is chiefly a political move to gain voters' good will. The new Prime Minister's party has only 112 seats itself out of 265 in Canada's House of Commons and it's considered he needs all the votes he can get if he is to gain a clear majority in the next election, which may come next year.

Still other delegates figure Britain's idea of a free trade area is merely a gentlemanly British attempt to get Mr. Diefenbaker off the hook that caught him when he first mentioned a 15% trade switch.

They describe the whole idea as unworkable, but believe the pro-British voters who put Mr. Diefenbaker in power will have forgot all about it by the time lengthy conferences have been held to work out the details.

Still other conference delegates view the free trade scheme as a new-found club Canada could

Avco's Indicated Net Rose to \$3,353,753 In the Third Quarter

Company Had \$3,528,245 Loss in Like '56 Period; Nine-Month Profit Also Gained Sharply

By a WALL STREET JOURNAL Staff Reporter
NEW YORK—Avco Manufacturing Corp.'s indicated third-quarter net was \$3,353,753, including a special credit, up sharply from an indicated loss of \$3,528,245 in the like period of 1956.

For the nine-month period ended August 31 the company said consolidated earnings and special credit amounted to \$8,586,374, equal after preferred dividends to 92 cents a common share.

This compared with a loss of \$3,499,529 for the nine-month period last year.

Sales for the 1957 nine-month period were \$238,983,886, down from \$246,168,438 in the like 1956 period.

No provision for Federal or Canadian income taxes were required during the nine-month period this year, the company said, because of the loss carry-forward from last year. During the current period, settlement of litigation relating to prior years' income and excess profits taxes resulted in a special credit of \$2,363,193.

The company said second and third quarter earnings were seriously affected by a four-month strike at the company's New Idea farm implement division. The strike, longest in Avco history, affected both spring and fall selling seasons, the company said. It was settled August 11.

Continued satisfactory results in Avco's business, including aircraft engines, research and development on the nose cone of the intercontinental ballistic missile and electronics and air frame manufacturing, as well as broadcasting and telecasting operations, were reported.

AVCO MANUFACTURING CORP. and subsidiaries report for nine months ended August 31:

	1957	1956
a-Earnings per common share	9.92	1.94
Net sales	\$238,983,886	\$246,168,438
Profit before special credit	6,233,181	4,349,320
b-Special credit	2,363,193	
Net income	8,596,374	4,349,320
Common shares	9,074,816	9,066,046
c-After preferred dividends	8,596,374	4,349,320
d-Arising from settlement of prior years' federal income and excess profits taxes. The special credit is equal to 26 cents a common share. e-No income taxes payable, the report states, due to loss carry-forward. f-Not loss, exclusive of \$16,000,000 reserve provided for a continuance of a major part of the company's appliance operations.		

For six months ended May 31, last, company reported a net income of \$1,232,421 or 34 cents a common share. In like period a year ago, net income was \$28,716, equal to 22 cents a preferred share.

use to threaten the U. S. Government should it decide to raise tariffs against Canadian exports some time in the future. "If the Americans start raising their tariff walls against our goods," said one Canadian government official, "we'll rattle the Anglo-Canadian free trade plan in front of their faces."

Another great KLM service... FLY NON-STOP NEW YORK TO CURACAO

*Effective Oct. 11th

Heart of the Caribbean . . .

Gateway to South America

In addition to daily flights from Miami, KLM now offers overnight service from New York to Curacao, South America and the Southern Caribbean.

Whether you choose luxurious First Class or economical Tourist accommodations, this new KLM service flies you in a few short hours to picturesque Curacao, famous "eye-spot" — buy-spot of the Caribbean. From there, immediate onward connections to Caracas, other South American and Caribbean points. Fly KLM . . . you'll agree . . .

It's a treat to go Dutch

SEE YOUR TRAVEL AGENT
or KLM, 572 Fifth Avenue,
New York 36, N. Y., JU 2-4020



PARADA LEA O CRUZEIRO

INTRODUCING

CRUZEIRO INTERNATIONAL

U. S. Representative: Robert T. Konyak Co.
527 Madison Avenue, New York 22, N. Y.
Phone PL 5-1282

Here's Important News for the International Advertiser

Continental Coverage. Here is the latest achievement of Latin America's most successful publishers. The Portuguese language *O Cruzeiro* has been published since 1929 and is easily Brazil's most popular magazine, reaching three-quarters of all magazine readers in the country with a guaranteed circulation of 620,000 weekly. Now the new Spanish language *O Cruzeiro Internacional*, published twice monthly, extends throughout Latin America the brilliant editorial viewpoint which has won such pre-eminence.

Proved Editorial Policy. *O Cruzeiro Internacional* is edited exclusively for Latin Americans, with a tested blend of general interest picture-text reporting. Of the 100 pages of *O Cruzeiro Internacional*, more than 20 are in full color—faithfully reproduced! *O Cruzeiro Internacional* averages more pages of editorial color than any other international magazine in Latin America.

Rising Circulation. Issue number one, published in April of this year, totaled 140,700 copies. From the outset *O Cruzeiro Internacional* has been the third largest international magazine in Latin America. Issue number ten (August 16th) sold 238,900—up 70% in five months. *O Cruzeiro Internacional* is now second in Latin American newsstand sales!

Bright Potential. As you read this, more than 240,000 copies of the twelfth issue are being distributed to the rich Latin American market. The instinctive reaction of the Latin peoples to their own flavorful kind of journalism is expected to double *O Cruzeiro's* initial circulation in less than a year. All this plus a cost-per-thousand of only \$5.50 for a page 10 by 13 inches makes *O Cruzeiro Internacional* the media buy for advertisers interested in reaching all of Latin America.

Guaranteed circulation: 200,000

Basic page B&W: \$1100 Four-color: \$1870

**the magazine published
by and for
Latin Americans—**



ADVERTISEMENT

Do Other Men Seem Smarter? Then
TAKE THIS "OBVIOUS WAY"
TO ADVANCEMENT

HE was an ordinary-looking man, not impressive in appearance. When you talked to him his answers weren't particularly clever... but he had the ability to see and do the obvious. That won him outstanding success.

The story of "Obvious Adams" has become a business classic. For Adams had the knack of reviewing any problem and coming up with an answer obviously right and sound; an answer that made others say, "Why of course! It's so simple. Why didn't I think of it?"

Thousands of copies of this famous brochure have been purchased by business executives and their companies. This new edition contains two additional sections: *New Tests of Obviousness* and *Five Creative Approaches to the Obvious*.

George M. Humphrey, former Secretary of the Treasury, said that his success was based on his ability to see the obvious and do it. The ability to do this may mean much to your advancement. Just attach this ad to your letterhead or a card with your name and address and enclose \$1. Your copy of *Obvious Adams* will be mailed promptly. *Executive Development Press, Dept. W-1-2, Littleton, New Hampshire.*

WE WANT
TO BUY

All or part of a manufacturing company in hard goods line, with net worth from \$2,000,000 to \$250,000, currently profitable. Preferably a company whose volume can be increased by our youthful, dynamic sales organization that has built our products into industry dominance in five years. Principals communicate confidentially with principals.

Box H-18

The Wall Street Journal
44 Broad St., N. Y., N. Y.

WHO PAYS MORE OR PAYS MORE OFTEN?

YOUR HEADQUARTERS FOR

Insured Savings Accounts

4% BEVERLY HILLS

FEDERAL SAVINGS

AND LOAN ASSOCIATION

1412 Wilshire Blvd., Beverly Hills, California

AS NEAR TO YOU AS YOUR NEAREST MAILBOX

Tode's Inn

at RIDGEFIELD, CONN.

EXCLUSIVE DINING

French Cuisine • Fine Wines

MONTE CARLO ROOM FOR COCKTAILS

PARLOR SUNDAY BRUNCH 12-2 P.M.

With a la carte or a LaDolce Luncheon Specialty

RESERVATIONS • TEL: 760-0422

Open Every Day 8 A.M. to 11 P.M.

IBM KEY PUNCH

TIME AVAILABLE

628 & 636 Equipment

WORKMAN SERVICE

INC.

TABULATING DIVISION

ORegon 4-5966

221 Fourth Ave. New York City

Build FINNIGAN quality

INTO YOUR PRESSURE

TANKS

FABRICATING STEEL PLATE SINCE 1880

J. J. FINNIGAN CO. INC. - ATLANTA, GEORGIA

4100 2nd St. N. W. TORRENTS 55, 4884 TRAIL AVE. P. O. BOX 1537

NEW YORK 17 CHARLOTTE NEW ORLEANS JACKSONVILLE

NEW YORK NORTH CAROLINA LOUISIANA ALABAMA

Experimental Molded Rubber Development

Acme-Fisher

Single cavity mold specialists... from experimental development to finished quantity production. Natural and synthetic rubbers available... in black and colored stocks.

BUY YOUR TEA DIRECT

from the Blenders

IN THE CITY OF LONDON

and enjoy good tea in your home.

We supply high quality tea specially blended in 7 lb. and miniature original chests @ \$10. per chest, postage paid, cash with order.

PARAMOUNT TEA LIMITED

5, Philip Lane,

London, E.C. 3, England

New York Catering Company, Inc.

SPECIALISTS IN OFFICE CATERING

Institutional Menus-Home Catering

210 E. 86th St., N. Y. 28, N. Y. YU 8-3335

Airlift, Cots and Cafeteria Help Struck
Lone Star Steel Plant Stay in Operation

By a WALL STREET JOURNAL Staff Reporter

LONE STAR, Texas — Nearly everybody you meet these days in this lonely little steel town is more than a bit perplexed.

Some 2,500 of the workers in the thriving Lone Star Steel Co. plant here walked out on strike a week ago. But another 500 workers are still inside the plant helping some 1,400 clerical and supervisory people turn out steel pipe for use in oil fields. Officials of the local of the United Steel Workers of America say the strike is unauthorized. Officials of the company agree.

Yet, the \$150 million plant, sprawled over some 500 acres of the northeast Texas countryside, is in a "state of siege." Workers are sleeping and eating inside the plant grounds while pickets of the wildcat strikers patrol outside. Merchants here and in nearby centers already are feeling a pinch in spending.

Nobody seems quite sure about the cause of the strike. The strikers complain of company unfairness in settling grievances. Since the strike began, the company has fired all the striking workers.

Texas Rangers on Scene

For three days after the strike began, hundreds of strikers had gathered at the start of work turns to harass men trying to go to their jobs. A few hundred trickled through, but most went back home. Some bottles were thrown and windshields shattered and some scuffling took place before Texas Rangers restored order. Only a half-dozen or so highway patrolmen and Texas Rangers are now patrolling the area to keep the peace.

Many of the 900 supervisors and non-strikers are living at the plant working two 12-hour turns instead of the customary three eight-hour ones. Cots are set up in executive and other offices. A few have rigged up improvised sleeping quarters in station wagons and cars. Several hundred men are sleeping in three tents scattered over the plant grounds. Coffee pots are brewing day and night.

A 200-seat cafeteria is serving an estimated 4,000 free meals daily to live-in workers, compared with the usual paid-for 600, says O'Dell Fullen, cafeteria manager. The company also is providing free cigarettes, cigars and candy. Wornly reports Mr. Fullen, as he directs workers setting up several outdoor meat roasting grills: "I've doubled my work force to 33 people, but it's still a strain." The cafeteria now is operating about 22 hours a day, with two hours for clean-up. Normally, it runs from 8 a.m. to 5:30 p.m.

Helicopter Used

To speed delivery of the additional food, the company late last week began air-lifting bread, ice cream, fresh meat and vegetables into the plant. At the weekend, some 13,000 pounds of food had been flown in from Dallas and other nearby cities in three airplanes and a helicopter. They used a 3,000-foot asphalt landing strip inside the plant grounds.

In the plant fire station next to the cafeteria, a temporary dinner table is being set up at meal time for some executives and supervisors. Three extra steel cots have been crammed into an adjoining room that normally sleeps seven firemen. Down the road in a tent, not-so-old Hollywood feature movies are being shown free for the men nightly. Examples: The High and the Mighty, and Mogambo.

Many of the non-striking steel workers explain they've chosen to live at the plant to keep out of trouble with wildcat strikers, or as one foreman says, "to be on hand in case we have some mechanical trouble." States Bill Kimball, a 28-year-old cast iron department worker as he waits to keep a brief date with his wife in front of the plant's personnel building: "This strike is illegal, period. And I'm not about to hurt my chances of getting re-hired elsewhere else if I should lose my job here." Nearby, a slightly-built worker forces a grin as he stands in line in front of the cafeteria and says: "I hope this thing is over soon. I've only had an hour or so of sleep in the last 24."

The strike already has had its effect on nearby towns where the striking workers live. Notes stocky, round-faced E. B. Germany, president of Lone Star Steel: "You can't cut off a large hunk of a \$27 million annual payroll and not have it hurt this area."

The strikers received their checks for work done after September 15 last Friday. A mile up the road from the plant's main gate in Lone Star, a cross-roads community of nearly 2,000 persons (nearly all steel families), business started trickling off just after the strike started. James McCurdy, owner of the town grocery market, said: "Our sales already are off at least 50%." A lot of men who used to buy steaks are now eating beans. In fact, a few aren't even eating beans.

Another Town Affected, Too

Seven miles north in Daingerfield, the

county seat, business men have a similar tale. Reports W. O. (Bo) Irvin, owner of Irvin Hardware Co., and a Lone Star Steel director: "We're just not doing any business. I'd say sales in the last week are down 75%. People naturally aren't going to buy a TV set or a new sofa at a time like this." He also handles furniture and appliances and he predicts: "I guess it's going to stay like this for the duration."

A few doors down, C. T. Barnett, owner of Barnett Jewelry, reports: "Ordinarily, I can hardly keep up with my watch repair business. Now I'm barely working two hours a day. And the men have almost stopped picking up the watches they left with me before the strike." His sales last week: One watch band.

Local 4134 of the United Steel Workers has been cryptic about its reasons for the walkout. The union and the company both claim the strike was unauthorized. And many of the workers, on strike or not, are frankly puzzled about the walkout. Says one in-plant non-striker: "I've been around here for five days now, and still don't know why the men are out."

But talks with several more vocal unionists, sipping cokes in the entrance to the union hall, indicate the main point of contention is the way the company and the union settle grievances. They claim too many grievances are being submitted to arbitration, which, they say, is too costly and time-consuming. Claims L. H. Brantley, a blonde and youthful staff representative for District 37 of the union: "This arbitration is costing the local too much money. We take in over \$80,000 a year in income from dues. We are spending almost half of this for arbitration."

The company and the union split the cost of hiring an arbitrator and paying witnesses. It is estimated that arbitration cases cost a total of between \$500 and \$1,000 each. Mr. Brantley continues: "The company wants to submit every grievance to an arbitrator. We claim this is not always necessary, because there is a lot of overlapping of grievances. We think that a previous decision in one case should cover all similar cases that follow it. But the company wants to submit each one, even though it has been ruled on before."

Many grievances, report the strikers, concern filling of temporary vacancies. They cite the case of Earl Tuggle, a motor inspector. Says he: "Last January, I went up one pay class when I replaced a man who went on vacation. His job pays 12 cents more an hour, but they paid me at my old rate. So I put in a grievance for the eight days I took his place, plus any time after that I worked in his place. Then he went into the service and I stayed in his job. In August, they finally decided my case and said they would pay me for the eight days, but not the six months after that. I have got over \$150 coming, but they won't give it to me, even though another man with a similar gripe before me got all his back pay."

A company spokesman contends, however, that all cases, despite similarities, are not alike and cannot be settled identically. "It's the same thing as one man being convicted for murder and getting the electric chair and another getting a five-year probation sentence," explains L. D. Webster, Lone Star vice president. "Each case may be different and must be decided on its own merits."

This week, according to Mr. Germany, the company will begin hiring new employees from over 4,000 job applicants to replace striking workers. He says a few strikers with clean records who have not taken an active part in the walkout may be rehired "on some sort of temporary or probationary basis." The company plans to spread the 800 or so experienced non-strikers through the plant to train new men on the job.

Effect on Production

Mr. Germany estimates that production has been cut only 30% by the strike, though the union claims it is closer to 80%. He notes, for example, that three of the company's four open hearth furnaces—the other one is down for "normal" repairs—were in operation over the weekend. At an average of about one "heat" per furnace every 15 hours, or around 33 a week, the furnaces are now putting out around 8,500 tons weekly. This, he says is about 65% of a normal 10,000-ton weekly capacity.

Some of the striking steel workers appear unworried about the prospects of the unemployment. They seem to feel they'll eventually get their jobs back. Says one confidently: "I'd like to see them try to find an experienced crane operator who could replace me." Asks another: "Can 2,500 men be wrong?"

Still another, with perhaps a little more realistic outlook, boasts: "If I stay fired, I can get another job. After all, there's plenty of cord wood to cut, or peas to pick around here."

Bonneville sports cars but these cars were used only for show purposes by dealers, and were not sold to the public.

The Chevrolet system was priced at \$484. In the Chrysler system, gasoline is portioned out to the combustion chambers by means of electrical impulses rather than by mechanical devices, as in the Chevrolet and Pontiac systems.

The impulses are controlled by a small "brain"—about the size of a file-card box—which measures such variables as engine temperature, throttle position, air temperature, engine load and altitude. These factors are instantly translated into the precise fuel requirements for the engine as the brain lengthens or shortens the electrical impulses that control fuel intake.

According to Chrysler, great care has been taken to keep air and dirt or metal particles out of the fuel pipelines. In addition an extremely fine filter, which is designed to catch anything larger than five-millionths of an inch, a magnetized wire spring in the system traps any metal particles that might go through the filter.

Fuel injection is a method of squirting fuel directly into the combustion chambers of an engine where it is mixed with air. In the conventional carburetor, used on most cars, the fuel is first mixed with air and drawn into the combustion chamber as a vapor.

Advantages claimed for fuel injection include savings of fuel, quicker engine warm-up, increased power, and elimination of certain carburetor problems such as "icing," which sometimes causes engines to stall in cold, damp weather. The principal problem of auto makers has been to provide a satisfactory system at a price low enough to make it marketable.

Investment Trust of Boston

INVESTMENT TRUST OF BOSTON
Not assets per share Aug. 31, '57 May 31, '57
Net assets at market \$2.50 \$1.30
Capital shares 4,305,800 4,305,800

Classified THE MART Advertising
NATIONAL BUSINESS EXCHANGE FOR PERSONNEL, PRODUCTS, SERVICES, AND IDEAS

Employers and Employees Meeting Place

POSITIONS AVAILABLE—MALE

Manufacturing
Engineering Manager

Consumer Hard Goods manufacturer with National Distribution and reputation needs a creative engineer who can guide development, and direct the tooling and preparation for manufacturing of new products with consumer appeal. Ability and personality to coordinate research, design, tooling and manufacturing personnel essential. Participate at top management levels with further growth opportunities.

ALL EXPENSES PAID
SALARY IN FIVE FIGURESGUILFORD SERVICE
MANAGEMENT CONSULTANTS

502 AMERICAN BUILDING

BALTIMORE 2, MD.

EXECUTIVE
To Manage Eastern Sales Office

Excellent opportunity for dynamic executive of proven sales and management ability capable of managing the Eastern Sales Division of an established AAA-1 Midwestern manufacturer. Our standard and special steel buildings and steel building products, nationally advertised and distributed, have been established in this area for many years. Should have basic understanding of engineering with leadership and administrative ability to organize and direct an effective team effort. Excellent salary with bonus arrangement. Please give us full background particulars. Replies will be held in strict confidence.

BOX F-238, THE WALL STREET JOURNAL

ADVERTISING-MARKETING EXECUTIVE
TRAINING PROGRAM

\$5,500 to \$8,000 Yr. To Start

Exceptional opportunity for two young men to join major New York organization. Accelerated Marketing Training Program leads to early assumption of executive responsibility. Candidates should possess Masters Degree in Business Administration or have outstanding record of early business achievement in marketing or related fields. Ages 23 to 28 preferred. Veterans or draft exempt men only. Please send resumes to Box F-180, Wall Street Journal.

POSITIONS AVAILABLE—FEMALE

SECRETARY
To President

College graduate, single, 5-10 years executive secretarial experience. RAPID & ACCURATE STENOGRAPHER—TYPIST. Pleasant personality, attractive appearance, good salary plus complete benefit program. Northern New Jersey location. Box F-235, The Wall Street Journal

POSITIONS AVAILABLE—MALE

FINANCIAL
REPRESENTATIVE

New York office of national financial institution offers opportunity for man 24 to 32 years of age leading to key bank liaison and commercial paper sales position. College background essential. Appearance, personality and poise important. Experience in securities sales, bank or institutional contact work advantageous. The continuous growth of company combined with small organization performing this phase of our operation offers excellent future for properly qualified and ambitious individual. Please submit resume. Box K-5, The Wall Street Journal

ARBITRAGEUR

Well known brokerage firm, members of N.Y.S.E. and A.S.E. desires to engage experienced arbitrageur for existing arbitrage department which has excellent and well developed foreign and domestic contacts. Some practice and knowledge of international arbitrage in domestic and foreign securities preferred. Replies held confidential. Box B-28, The Wall Street Journal

MUTUAL FUND
SALESMAN—

Leading Fairfield County firm with direct history specialized experience in Mutual Funds offers special high-commission arrangement (approximately one-third above going rates) to self-starter wishing to sell in Connecticut and/or New York. He contractual plan with life and disability insurance, estate planning department. Box F-184, The Wall Street Journal

ENGINEERING
SERVICES SALESMAN

Consulting engineering and drafting firm seeks an experienced representative to sell our services on a commission basis. Forward detailed resume, including earnings and objectives. Box F-225, The Wall Street Journal

ELECTRICAL ENGINEER

Expanding manufacturer of components for electronic devices and guided missiles. Desires young married man with sales ability. Plant located in Southeast. Box G-74, The Wall Street Journal

POSITIONS AVAILABLE—MALE

MANAGER
Industrial Engineering

Consumer Hard Goods manufacturer with National Distribution and reputation needs a creative engineer who can guide development, and direct the tooling and preparation for manufacturing of new products with consumer appeal. Ability and personality to coordinate research, design, tooling and manufacturing personnel essential. Participate at top management levels with further growth opportunities.

ALL EXPENSES PAID
SALARY IN FIVE FIGURESGUILFORD SERVICE
MANAGEMENT CONSULTANTS

502 AMERICAN BUILDING

BALTIMORE 2, MD.

EXECUTIVE
To Manage Eastern Sales Office

Excellent opportunity for dynamic executive of proven sales and management ability capable of managing the Eastern Sales Division of an established AAA-1 Midwestern manufacturer. Our standard and special steel buildings and steel building products, nationally advertised and distributed, have been established in this area for many years. Should have basic understanding of engineering with leadership and administrative ability to organize and direct an effective team effort. Excellent salary with bonus arrangement. Please give us full background particulars. Replies will be held in strict confidence.

BOX F-238, THE WALL STREET JOURNAL

ADVERTISING-MARKETING EXECUTIVE
TRAINING PROGRAM

\$5,500 to \$8,000 Yr. To Start

Exceptional opportunity for two young men to join major New York organization. Accelerated Marketing Training Program leads to early assumption of executive responsibility. Candidates should possess Masters Degree in Business Administration or have outstanding record of early business achievement in marketing or related fields. Ages 23 to 28 preferred. Veterans or draft exempt men only. Please send resumes to Box F-180, Wall Street Journal.

POSITIONS AVAILABLE—MALE

MANAGEMENT
OPPORTUNITY
in Philadelphia

College Graduate with degree in Business Administration with Accounting Major, age 30 to 40. Must be tactful, have had managerial responsibilities during last five years of employment relating to control of inventories, expenses, credits, and office operations, and must be able to get along with people. This position affords opportunity to start as administrative assistant to the Manager and leads to full managerial responsibilities. Reply stating education, age, and include complete summary of business experience. Replies to this ad will be held in strict confidence. Box F-208, The Wall Street Journal

CONTROLLERS

PLEASE SUBMIT RESUMES
CONTROLLER—Exp. 25-45, unusual knowl. stock market investments plus mfg. controllership, \$29,000.
CONTROLLER—Hvy. retail exp., Ohio, to \$16,000.
CONTROLLER—Hvy. magazine publishing exp., range \$15,000.
CONTROLLER—Exp. 32-42, electronics or similar exp., \$10,000-\$15,000.
CONTROLLER—35-45, exp. construction or large warehousing exp. helpful, N.Y. Jersey City, \$12,000 (possibly \$18,000).
CONTROLLER—Asst. to 40, good at systems, Norwalk, Conn., to \$12,000.
Robert Half Personnel Agencies
120 West 42nd St., N. Y. C. 36

TRUST OFFICER

WESTERN PENNA. AREA

Rapidly growing Pittsburgh area bank has an excellent opportunity for a trust officer with necessary background to develop new trust business. Graduate attorney with 5 years experience in estate analysis and trust sales desired. Original inquiry should include an outline of education, experience and expected salary. Box F-226, Wall Street Journal

POSITION AVAILABLE
TREASURER

well established Rhode Island manufacturing concern. Must be capable of taking complete charge on executive level. Best accounting background necessary. Reply in confidence giving complete resume and salary requirements. Box F-227, The Wall Street Journal

POSITIONS AVAILABLE—MALE

MANAGER
Industrial Engineering

Consumer Hard Goods manufacturer with National Distribution and reputation needs a creative engineer who can guide development, and direct the tooling and preparation for manufacturing of new products with consumer appeal. Ability and personality to coordinate research, design, tooling and manufacturing personnel essential. Participate at top management levels with further growth opportunities.

ALL EXPENSES PAID
SALARY IN FIVE FIGURESGUILFORD SERVICE
MANAGEMENT CONSULTANTS

502 AMERICAN BUILDING

BALTIMORE 2, MD.

EXECUTIVE
To Manage Eastern Sales Office

Excellent opportunity for dynamic executive of proven sales and management ability capable of managing the Eastern Sales Division of an established AAA-1 Midwestern manufacturer. Our standard and special steel buildings and steel building products, nationally advertised and distributed, have been established in this area for many years. Should have basic understanding of engineering with leadership and administrative ability to organize and direct an effective team effort. Excellent salary with bonus arrangement. Please give us full background particulars. Replies will be held in strict confidence.

BOX F-238, THE WALL STREET JOURNAL

ADVERTISING-MARKETING EXECUTIVE
TRAINING PROGRAM

\$5,500 to \$8,000 Yr. To Start

Exceptional opportunity for two young men to join major New York organization. Accelerated Marketing Training Program leads to early assumption of executive responsibility. Candidates should possess Masters Degree in Business Administration or have outstanding record of early business achievement in marketing or related fields. Ages 23 to 28 preferred. Veterans or draft exempt men only. Please send resumes to Box F-180, Wall Street Journal.

POSITIONS AVAILABLE—MALE

MANUFACTURER'S REPRESENTATIVE
Outstanding Growth Potential

Aggressive young company needs top-notch representative in Eastern market. Must have background of successful sales to O.E.M. Tremendous growth possibilities. Give full resume, including lines now handled, in first letter. Box F-180, The Wall Street Journal

SMALL BOAT
MANUFACTURING

Wanted—man able to advise on design, sales, and manufacture of small boats made of plywood or dory-type. Write or telephone Cabinet Industries, Inc., Danville, Pa. SHerwood 8-1400.

POSITION WANTED—FEMALE

Administrative Assistant: University graduate, broad administrative background. Also personnel, public relations experience. Secretarial Skills. Seeking challenging position with growth potential. Reply Box F-219, The Wall Street Journal

Administrative Asst. — Executive Secretary: 1 yrs. Congressional Sec'y. 4 yrs. Literary Agent. Accomplished heavy responsibility. seeks position with executive. Box K-3, The Wall Street Journal

Administrative Executive: Accounting, Management and Secretarial background. Resumes on request. Midtown New York area only. Box G-58, The Wall Street Journal

Secretary—Registered Representative. Admin. Asst. Alert, intelligent, woman, brokerage exp., B.A. Economics, handle own correspondence, good appearance. Box K-2, The Wall Street Journal

POSITIONS WANTED—MALE

AVAILABLE
SALES & MARKETING
EXECUTIVE

12 years successful background in sales training, techniques, management. Experienced in marketing consumer products. Able to plan complete marketing campaign and co-ordinate advertising and sales. Under 40. will relocate. Box G-181, The Wall Street Journal

NEW YORK LAWYER, age 32, with top-notch Ivy League academic background in law and economics coupled with 8 years of richly diversified experience with prominent law firms seeks position with corporate legal department offering intellectual challenge and genuine opportunity for future. If necessary, will be glad to relocate. Box Z-100, The Wall Street Journal

INCREASE YOUR SALES
by hiring a young, energetic, hard hitting sales mgr. with B.B.A. & 8 yrs. exp. Able to hire, train and supervise sales force in coordination with advertising and marketing campaigns. Box G-91, The Wall Street Journal

TRADE ASSOC. OR CORP. Atty., age 31, presently with law firm specializing in above fields, seeks future in admin. or exec. capacity with Trade Assoc. or Corp. in D.C. Box F-185, The Wall Street Journal

MARKETING research experienced director is seeking opportunity with a growing company. If you believe in a man for your team, please write. Box G-90, The Wall Street Journal

CONTROLLER Naval 38 off 20 yr col ret Oct 1, 1957. Funct exp. 20 yrs. Controls & Mgt. Eng. Seeker growth only Goal top mgt. Purdue U. Age 38 Resumes on req. Box F-181, The Wall Street Journal

ASSISTANT TO EXECUTIVE: 12 yrs experience, creative & commercial field, administrative & managerial bkgd.; available immediately. Seeks position with responsibility, challenge & future. Box G-98, The Wall Street Journal

Employers & Employees
Meeting Place
Continues on
Following Page.

The Partners of E. F. Hutton & Company

invite you to inspect
a New Conception in
Brokerage Offices

650 Madison Avenue at 60th Street

New Open—9:30 A.M. to 5:30 P.M.

Designed by Virginia Bonner Park. Fixed
amphitheater; modern electric and automatic
equipment; comprehensive stock and commodity
news services; Financial Library;
air-conditioned; sound-proofed.

MASSACHUSETTS LIFE FUND DISTRIBUTORS, INC.

Announces

MR. JOHN H. GLEISSNER

Executive Vice President and Director

is in charge of
WESTERN SALES

MASSACHUSETTS LIFE FUND

Offices—400 Montgomery Street, San Francisco
639 South Spring Street, Los Angeles

October 1, 1957

We are pleased to announce the opening of
an office in the City of Boston under
the management of

MR. JOHN C. MATHIS, JR.

at 31 Milk Street, Boston 9, Mass.

B. J. VAN INGEN & CO. INC.

MUNICIPAL BONDS

New York Chicago Miami

September 30, 1957

WEEDEN & Co.

ANNOUNCE

THE REMOVAL OF THEIR NEW YORK OFFICE

TO

25 BROAD STREET
NEW YORK CITY 4
DIGBY 4-2300

SEPTEMBER 30, 1957



GARDNER-DENVER

Serving

GENERAL
INDUSTRY

CONSTRUCTION

PETROLEUM

MINING

Since 1859

GARDNER-DENVER COMPANY, Quincy, Illinois

DIVIDEND NOTICES

Common Stock

A quarterly dividend of \$.45 per share on the common stock of Gardner-Denver Company has been declared by the Board of Directors of the company, payable December 2, 1957, to stockholders of record at the close of business on November 13, 1957.

Preferred Stock

A quarterly dividend of \$1.00 per share on the cumulative preferred stock of the Gardner-Denver Company has been declared by the Board of Directors of the company, payable November 1, 1957, to stockholders of record at the close of business on Oct. 16, 1957.

Stock transfer books will remain open. Checks will be mailed. September 26, 1957. C. M. George, Secretary

The DIAMOND
MATCH COMPANY

76th
CONSECUTIVE YEAR
OF DIVIDENDS

The Board of Directors of The Diamond Match Company on September 26, 1957, declared a regular quarterly dividend of 45¢ per share on the Common Stock. At the same meeting the Board also declared a quarterly dividend of 37½¢ per share on the \$1.50 Cumulative Preferred Stock.

Both dividends are payable November 1, 1957 to stockholders of record.

October 7, 1957

PERRY S. WOODBURY, Secretary and Treasurer

growing for the future
MATCHES • PULP PRODUCTS • LUMBER • BUILDING SUPPLIES • WOODENWARE

Financing Business

Jersey Standard To Offer Holders \$250 Million Issue

Common Stock Sale Late
In Year Would Be Second
Largest in History

Details Not Yet Determined

BY A WALL STREET JOURNAL STAFF REPORTER
NEW YORK—Standard Oil Co. (New Jersey) will undertake a major piece of equity financing later this year.

The big international oil concern plans to offer its stockholders \$250 million to \$300 million of common stock.

That would rank the transaction as probably the second largest underwritten common stock offering in the history of American finance.

The distinction for the largest is held by General Motors Corp., which raised \$328 million in a share offering to its stockholders in February, 1955.

Other out-sized share issues to stockholders on the books include one for \$231 million by International Business Machines Corp. and one for \$199 million by Socony Mobil Oil Co., both consummated earlier this year.

The G.M., I.B.M. and Socony transactions all were managed by Morgan Stanley & Co. The same firm will be asked to form a nationwide group to underwrite the big Jersey Standard financing.

The number of shares and the price at which the shares will be offered have not yet been determined, the company said.

The offering, it explained, will be made only by means of a prospectus following registration with the Securities and Exchange Commission.

Since the end of the war Jersey Standard has made very large expenditures for capital equipment and in the search for oil.

Proceeds of the proposed new financing, the company said, are intended to enable the company to continue to meet these capital requirements.

This year Jersey Standard and its affiliates are expected to spend about \$1,250,000,000 on new facilities and in the search for oil.

Last previous financing by Jersey Standard was in 1949 when the company raised \$225 million by the sale of \$75 million of notes and \$150 million of debentures.

To trace the last common stock financing by the big oil concern one must go back to 1926 when 349,000 shares were offered on the basis of one share for each six held. This brought in \$86,200,000.

Week's New Offerings Include 7 Debt Issues Totaling \$192 Million

A WALL STREET JOURNAL NEWS ROUNDUP

Financing by corporations through public sale of new securities will rise sharply this week, following last week's limited activity.

On the calendar for the five-day stretch are seven corporate debt issues totaling \$192 million, along with two preferred stocks worth \$24 million at par. There will be no new common stock offerings of size.

This greatly increased volume of new issues will funnel into a market that already is well supplied with undistributed senior securities, although not oppressively so. Estimates late Friday placed at \$100 million or more the total of corporate bonds unsold on underwriters' shelves, about the same level as a week earlier.

Institutional investors all last week continued to nibble away at unsold balances of the underwriters' "stickier" issues. But these reductions were roughly counterbalanced by inclusion of the unsold portion from Consumers Power Co.'s \$35 million of new 4½% awarded last Monday.

Nearly all the bonds now in underwriters' inventories are of high quality and pay less than the minimum 5% desired by many investors, notably those who may be deserting the stock market.

Utah Power & Light Co.'s \$15 million of new 5½% sold out quickly when introduced Wednesday on a 5.10% yield basis. Consumers Power's top-rated 4½% last week's principal issue, were offered to the public at a 5.7½% yield.

Court Rules Alleghany Issue Does Not Comply With Commerce Act

ICC Failed to State Stand on Firm's
Acquisition of Central Before
Approving Issue, Court Says

By A WALL STREET JOURNAL STAFF REPORTER
NEW YORK—A three-judge Federal Court ruled Friday that the order of the Interstate Commerce Commission in 1955 authorizing an issue of new 6% \$10 par convertible preferred stock of Alleghany Corp. should be set aside.

The ruling was an action brought by Breswick & Co., Randolph Phillips and Myron Neilsen as common stockholders of Alleghany.

The three-judge tribunal, consisting of Appeals Court Judge Charles E. Clark and District Judges Edward J. Dimock and Lawrence E. Walsh, continued the injunction which has tied up transfer of the new 6% preferred for more than two years.

The new preferred was proposed by Alleghany early in 1955 to be issued in a voluntary exchange for outstanding 5½% \$100 par preferred and dividend arrears, on the basis of ten of the new shares for each share of the 5½% preferred. About 900,000 shares of the stock had been distributed by Alleghany in June, 1955, out of a total of over 1,300,000, when the Federal Court's restraining order was issued. The court held in a ruling then that the Securities and Exchange Commission rather than the I.C.C. had jurisdiction with respect to the issuance of the stock on the

This week's largest offering—Southwestern Bell Telephone Co.'s \$100 million of debentures—is due for public bidding tomorrow.

Other corporate debt issues coming via the competitive route include: \$17 million of bonds by Gulf States Utilities Co., set for today, and \$25 million of debentures by Columbia Gas System, Inc., on Thursday.

Slated for sale through negotiation with underwriters are Shamrock Oil & Gas Corp.'s \$17,500,000 of convertible debentures and General Tire & Rubber Co.'s \$12 million of debentures (with warrants), both expected on Thursday.

First Boston Corp. is named as principal underwriter for the Shamrock Oil issue, while the General Tire issue is to be managed by Kidder, Peabody & Co.

National Cylinder Gas Co.'s delayed offering of \$17,500,000 in convertible debentures may reach the market this week, via a Merrill Lynch, Pierce, Fenner & Beane group.

Johnston, Lamon & Co. and Eastman Dillon, Union Securities & Co. expect to be in the market with a reduced \$3 million of debentures with warrants for State Loan & Finance Corp., probably tomorrow.

The larger of the week's two principal preferred stock offerings—Northern Natural Gas Co.'s \$80,000 shares (\$16 million) of a \$100 par issue—is down for sale via Blyth & Co., Inc., and associates, probably tomorrow.

Columbus & Southern Ohio Electric Co.'s 80,000 shares (\$8 million) of a \$100 par preferred issue is expected Thursday via underwriters led by Dillon, Reed & Co., Inc., and the Ohio Co.

Last week's limited total for new issues of publicly offered corporate debt securities was \$55,445,000. New common stock offerings totaled \$9,200,000, but there were no new preferred stock issues of size.

Carter Jones Drilling

WASHINGTON—Carter-Jones Drilling Co., Inc., filed a registration statement for 300,000 shares of capital stock with the Securities and Exchange Commission. The Kilgore, Texas, company said it plans to offer the shares publicly without underwriting and apply most of the estimated \$1,472,000 proceeds to pay off debts to banks and suppliers.

Trucking Firms' Financing

MIAMI—Ryder System, Inc., truck leasing organization, and Great Southern Trucking Co., a Southern motor carrier, extended their banking and credit facilities to total equipment financing of \$17 million through an agreement with First National City Bank of New York, the third participating bank in the credit agreement. Other banks participating are First National Bank of Boston and First National Bank of Atlanta.

Tucson Gas Registers

WASHINGTON—Tucson Gas, Electric Light & Power Co. placed 200,000 shares of common stock in registration with the Securities and Exchange Commission. The stock would be marketed publicly through an account headed jointly by Blyth & Co., Inc., and First Boston Corp., the Arizona company said. The new money would be used to pay off \$4,900,000 in notes and to finance a construction program.

Williams Brothers Issue Filed

WASHINGTON—Williams Brothers Co. entered a registration statement for 400,000 shares of common stock with the Securities and Exchange Commission. The Tulsa, Okla., pipeline constructing firm reported it plans to sell 100,000 of the shares publicly while the remaining 300,000 shares would be offered by certain selling stockholders. Reynolds & Co., Inc., would manage an underwriting group for the offering.

Continental Screw Co. Files Issue

WASHINGTON—Continental Screw Co. put 300,000 shares of common stock into registration with the Securities and Exchange Commission. The recently organized New Bedford, Mass., company intends to market the issue publicly through an account led by Lee Higginson Corp. and employ the proceeds to acquire Hy-Pro Tool Co.

Money Rates

NEW YORK—Bankers acceptance rates on 30-90 day bills were quoted at 3¼% to 3½%. 120 day bills are 4% to 4½% and the 180 day bills 4¼% to 4½%.

Federal funds bid 3¼%.

Call money lent dealers on bills and Treasuries was quoted at 4½%.

Call money on stock exchange collaterals was 4½% to 4¾%.

Commercial paper sold through dealers four to six months maturity was 4% to 4½%.

Commercial paper placed directly by the major finance companies one to nine months maturity was 3¾% to 4¼%.

ground Alleghany was an investment company.

However, in April this year the U. S. Supreme Court reversed the Federal Court and ruled that the I.C.C. held jurisdiction because Alleghany controlled the New York Central Railroad. The case was returned to the Federal Court to determine whether the stock authorization complied with the Interstate Commerce Act.

The court on Friday held that the stock authorization did not comply, because the Interstate Commerce Act required the I.C.C. to approve or disapprove Alleghany's acquisition of control of the Central before proceeding to authorize the stock issue. As to the fairness of the proposed exchange of stock, the court expressed no view, declaring this was a matter for consideration by the commission.

Alleghany was granted 30 days in which to appeal the ruling to the Supreme Court.

Banks for Cooperatives Will Offer \$63 Million Debentures

NEW YORK—The 13 Banks for Cooperatives will make public offering of \$63 million seven-month consolidated collateral trust debentures, John T. Knox, fiscal agent, said.

The issue will be offered through Mr. Knox, 130 William Street, New York City, with the aid of a nationwide group of security dealers.

Proceeds will be used to redeem \$48.2 million of 3½% debentures maturing October 15, to repay short-term borrowings and for lending purposes.

The debentures will be offered at par. Rate of interest will be announced about October 3.

The Banks for Cooperatives make loans to farmers' marketing, purchasing and business service cooperatives. The debentures are the secured obligations of the 13 banks.

\$4,500,000

(Third installment of an issue not exceeding \$20,700,000)

Chesapeake and Ohio Railway Second Equipment Trust of 1957

4½% Serial Equipment Trust Certificates
(Philadelphia Plan)

To mature \$300,000 annually June 1, 1958 to 1972, inclusive

To be guaranteed unconditionally as to payment of par value and dividends by endorsement by
The Chesapeake and Ohio Railway Company

Priced to yield 4.25% to 4.40%, according to maturity

Issuance and sale of these Certificates are subject to authorization by the Interstate Commerce Commission. The Offering Circular may be obtained in any State in which this announcement is circulated from only such of the undersigned and other dealers as may lawfully offer these securities in such State.

HALSEY, STUART & CO. INC.

DICK & MERLE-SMITH

R. W. PRESSPRICH & CO.

BAXTER & COMPANY

FREEMAN & COMPANY

McMASTER HUTCHINSON & CO.

SHEARSON, HAMMILL & CO.

September 27, 1957

Legal Investment for Savings Banks and Trust Funds in New York State.
Interest Exempt from All Present Federal and New York State Income Taxes.

NEW ISSUE

\$300,000

Town of Southampton

Union Free School District No. 17

Suffolk County, New York

4.10% Bonds

Dated: September 1, 1957 Due: March 1, 1958 to 1966

Coupon bonds in the denomination of \$1,000 each, convertible into fully registered bonds. Principal and semi-annual interest (March 1st and September 1st) payable at the Hampton Bays National Bank in Hampton Bays, New York.

The East Quogue School District is located between Southampton and Westhampton about eight miles from Riverhead, the County Seat of Suffolk County. These are the first bonds sold in the School District since 1878. In addition to these bonds being unlimited tax, general obligations, Suffolk County, Rated "A" by Moody's, guarantees 100% tax collections to the District.

Descriptive Circular Upon Request

Amount	Due	Yield
\$10,000	1958	2.75%
10,000	1959	2.90
10,000	1960	3.00
10,000	1961	3.15
10,000	1962	3.30
10,000	1963	3.40
10,000	1964	3.50
10,000	1965	3.60
10,000	1966	3.65
10,000	1967	3.70
10,000	1968	3.80
10,000	1969	3.85
10,000	1970	3.95
20,000	1971-72	4.00
30,000	1973-75	4.00
40,000	1976-79	4.00
80,000	1980-86	4.00

(Accrued Interest to be added)

ADAMS, McENTEE & Co., INC.

40 WALL STREET

NEW YORK 5, N. Y.

Digby 4-8770

A. T. & T. Teletype N. Y. 1-1565



Canadian

Patent, Copyright
and Trademark...

regulations are outlined in "Your Guide to Business in Canada", just published as a service to American executives by Canada's First Bank. Many other essential subjects including Canadian taxes and company formation, are discussed.

For this introduction to the many ways the B. of M. can help you do business in Canada, write on your business letterhead to our nearest U. S. office or to the Business Development Department, Head Office, Montreal.



BANK OF MONTREAL

Canada's First Bank East-to-Coast

BRANCHES IN ALL TEN PROVINCES

Head Office: Montreal

Branches: Halifax, Toronto, Winnipeg, Calgary, Vancouver

NEW YORK: 64 Wall St. • SAN FRANCISCO: 333 California St.

CHICAGO: 300 N. Dearborn St. • Representative's Office, 141 West Jackson Blvd.

Head Office: Montreal

700 BRANCHES IN CANADA, U. S., GREAT BRITAIN AND SWITZERLAND • RESOURCES EXCEED \$1,700,000,000

GUDE, WINMILL & Co.

80th ANNIVERSARY

MEMBERS NEW YORK STOCK EXCHANGE

MEMBERS AMERICAN STOCK EXCHANGE

WE ANNOUNCE THE RELOCATION OF OUR
MID-TOWN OFFICE IN LARGER QUARTERS
ON THE 3rd FLOOR

41 EAST 42ND STREET

This office will be completely modern, and will provide facilities for the finest and most efficient service. Openings are available for a few experienced Registered Representatives with an established clientele. Phone or write Managing Partner, Digby 4-7060, 1 Wall Street, New York 5, New York.

SEPTEMBER 30, 1957.

Opportunity...

MUNICIPAL BOND BUSINESS

Wanted—an ambitious young man with some Wall Street experience by prominent Investment Banking house with long established Municipal Bond Department, active in underwriting and trading. Our staff has been advised of this advertisement. Write, detailing your background to

Box B-22, The Wall Street Journal

We maintain a market in:

Dun & Bradstreet, Inc.

Common Stock

The
FIRST BOSTON
CORPORATION15 BROAD STREET • NEW YORK 5, N.Y.
Telephone Dily 4-1515

CASH AVAILABLE

for Purchase of or Collateralized by
Stock—Bonds—Listed Securities
SECURITY DISCOUNT ASSOCIATES, INC.
32 Broadway, N.Y. WHitehall 3-2480Bond Markets
Long-Term Treasuries
Were Mixed Last Week
In Uneventful Trading

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Long-term U. S. Government
liens were mixed to close out a generally un-
eventful week of bond trading.Some dealers closed the new 12-year 4s at
99 30-32 bid Friday—exactly the same bid the
issue had commanded the previous night and
a week before. The Victory Loan 2½s of De-
cember, 1967-72, dropped 4-32 Friday to 98 10-32
bid, enough to put the bonds 2-32 off on the week.The 3½s of June, 1978-83, and the 40-year
3s both gained 2-32 Friday, to 93 14-32 bid and
88 14-32 bid, respectively. The 3½s climbed
12-32 during the week, while the 3s rose 14-32.Yields were quoted as 3.90% for the 12-year
4s, 3.68% on the "Vics," 3.64% for the 3½s
and 3.58% on the 40-year 3s.Investment grade corporates ended the week
on a quiet note, with steady prices. Although
this group was steady or better throughout the
week, dealers noted a mild spurt of activity
Wednesday was the only period of good volume."The lack of new issues most of last week
gave dealers a perfect opportunity to hawk
"sticky" bonds still in syndicate," one trader
stated. "These deals weren't cleaned out, so
this week—with plenty of competition—there is
a possibility of some price breaks."Municipals continued to display solid
strength, with firm bidding and steady retail
response. Revenue bonds, mixed on Friday,
were sharply lower for the week.Convertible followed a pattern similar to
the revenue bonds—a mixed showing Friday
but sizable losses on a weekly basis.Foreign bonds were quiet, with some Greek
issues advancing fractionally.

South African Borrowing

Representatives of the Union of South
Africa confirmed plans to borrow \$25 million
from the World Bank were not affected by
deferral of a proposed \$15 million public offering.
Negotiations are also continuing for a
\$20 million revolving bank credit from U. S.
banks since the World Bank was expected to
make its loan concurrently with the public
offering. The \$25 million borrowing may still
be announced October 2, the original target
date for the public issue. The South African
statement said the public offering was put off
"to await the return of more settled conditions
in the bond market."

Transcon Stock Split

WASHINGTON—The Interstate Commerce
Commission authorized Transcon lines to split
its stock two-for-one by issuing 238,840 shares
of \$2.50 par common stock in exchange for
119,420 shares of its presently outstanding \$5
par common stock.

Tax Exempts

Municipal Yield Index
Fell to 3.5% Last Week;
Few Offerings Slated

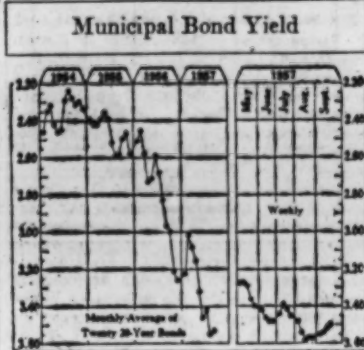
A WALL STREET JOURNAL News Roundup

An optimistic spirit pervades the municipal
bond market in the wake of another prosperous
week enjoyed by tax-exempt dealers.The Dow-Jones municipal yield index
hopped back another two basis points standing
today at 3.5% compared to last Monday's 3.32%
mark, lining up with dealers' reports of a
"stronger market" last week in tax-exempts.An improvement in bond prices is reflected
by a drop in the Dow-Jones yield index which
moves inversely to their rise and fall. The
index, composed of 20 representative 20-year
bonds, has been moving slowly downward since
reaching a 22-year high of 3.58% on August 19.Tax-exempt traders tied the appearance of
a strengthened bond market to the 11-weeks
long decline in the stock market. Reports have
been circulated for some time that smaller in-
vestors were switching from stock to bond
purchases, at least in the shorter term ma-
turities. But for the first time institutional
buyers this past week were said to be channel-
ing an increased percentage of their new
money into the tax-exempt market.

Coming Supply Up Slightly

The apparent drop-off of prospects for a
continued industrial boom in the fourth quar-
ter is not being paralleled by a sag in munici-
pal financing plans. The Daily Bond Buyer
reports a 30-day visible supply figure today
of \$442,164,346, a slight increase over last Mon-
day's figure. The total indicates a continua-
tion of the record pace set by local govern-
mental agencies in borrowing the first eight
months of this year.Bond traders who had considered further
price drops on municipal securities almost in-
evitable due to the large calendar of fall offer-
ings now look towards prosperous times. The
appearance of new money and of buyers whom
they "hadn't seen around in quite a while" has
driven up total demand. The volume of
municipal bonds scheduled for sale in coming
months is now viewed as "healthy" and the
assurance of a "thriving market."Still the test is yet to come. October is
viewed as the critical month, with many large
offerings such as the \$80 million California
issue and \$65 million Massachusetts bonds
then on the docket. The past week the total
value of issues, though well received by in-
vestors, amounted only to a little more than
\$100 million. Several traders who were other-
wise confident voiced misgivings about the
possible effect of a much larger volume of bond
offerings upon this slowly improving market.

Inventories Show Gain

The advertised par value of unsold munici-
pal and housing bonds held by municipal
traders today aggregates \$178,061,000, up from
last Monday's total of \$162,883,000, according
to figures supplied by the Blue List.Another light week is in line for dealers
in municipal bonds. The total value of taxMunicipal Bond Yield
1937 1938 1939 1940 1941 1942 1943 1944 1945 1946 1947 1948 1949 1950 1951 1952 1953 1954 1955 1956 1957
Monthly Average of Twenty 20-Year Bondsexempt offerings for the coming seven days
is \$89,905,970 which should allow the tax ex-
empt market an additional breather prior to the
deluge of issues set for following weeks.Largest single municipal issues to be
offered this week are a combined Oregon of-
fering of \$28.6 million and a \$24 million New
York State issue, both on Tuesday.Other issues offered this week will include:
Today: Oil City, Pa., \$1,300,000; Rockford,
Ill., \$1,700,000.Tuesday: Attica, N. Y., \$2,270,000; De Kalb
County, Ga., \$2,925,000; Hillsdale, N. J., \$1-
475,000; Opelika, Ala., \$1,350,000; Rocky
Mount, N. C., \$1,425,000.Wednesday: Borger, Texas, \$1 million;
Newark, Ohio, \$2,430,000; Weymouth, Mass.,
\$1 million; Whitestown, N. Y., \$1,325,000.Thursday: Jackson Parish, La., \$1 million;
San Antonio, Texas, \$2,220,000; Southfield,
Mich., \$3 million.Saturday: University of North Carolina, \$4
million.Bid of 3.2297% Is Best
On \$8 Million Colorado IssueDENVER—The best bid for \$8 million Colo-
rado State Highway Fund Revenue Anticipation
Warrants was delivered by an account
jointly managed by Eastman Dillon, Union
Securities & Co. and Kidder, Peabody & Co.The Eastman group made a dollar bid of
par for coupons of 3½s, 3.10s, and 3.20s, es-
tablishing an overall interest cost of 3.2297%
on the borrowing. The bonds, subject to
award, were reoffered to the public at prices
scaled to yield 2.60% in 1959 to 3.20% in 1973.
Friday afternoon a balance of about \$5 million
was reported unsold for at retail.Proceeds from the sale of these bonds,
which are backed by taxes derived from motor
vehicle operations, would be used to construct
and improve highways and bridges in Colorado.Chicago Park District to Sell
\$6 Million Issue October 8Chicago, Ill., Park District will offer \$6
million bonds on October 8. These obligations
will fall due from 1959 to 1977.The city of Fayetteville, N. C. plans to mar-
ket \$2 million of city securities on October 15 through
the state Local Government Commission.Commerce Department estimated August ex-
ports came to \$1,675,000,000. That was a drop
from the \$1,690,000,000 of July but well above
the \$1,520,000,000 of August, 1956.

Pacific Tel. & Tel.

PACIFIC TELEPHONE & TELEGRAPH CO. and sub-
sidiaries report for three months ended August 31:

	1957	1956	1955
a-Earnings per com. shr.	\$2.40	\$2.74	\$2.63
b-Operating revenues	220,365,945	200,779,583	181,742,900
c-Net income	25,480,642	24,083,359	20,170,616
Average com. shares	10,115,142	8,533,608	7,215,180
Twelve months ended August 31:			
a-Earnings per com. shr.	\$9.28	\$9.58	\$10.04
b-Operating revenues	\$43,388,559	\$47,330,787	\$50,137,328
c-Net income	\$7,542,883	\$5,814,348	\$6,354,760
Average com. shares	9,585,014	8,442,967	7,131,600

a-After preferred dividends. b-After taxes and other charges.

Pacific Telephone & Telegraph said the
more than 1.8 million shares to be issued Sep-
tember 30 is expected to further reduce earn-
ings on a per share basis. It also stated that
it is now or shortly will be in collective bar-
gaining with unions representing most of its
employees and any additional wage increases
will further reduce earnings at least until
adequate rate relief can be obtained.

Continental Materials

CONTINENTAL MATERIALS CORP. (for-
merly Continental Uranium, Inc.) and wholly-
owned subsidiaries report for the six months
ended June 30, 1957, a net income of \$123,117
after depletion, exploration, etc. Sales for the
period amounted to \$1,810,531.Curtiss-Wright, Roe
Unit Agree to Make
Jet Engines in U. S.Orenda Engine, Said to Be Most
Powerful, Will Be Built at Cur-
tiss' Wood-Ridge, N. J. Plant

By a WALL STREET JOURNAL Staff Reporter

TORONTO—An agreement has been signed
by Curtiss-Wright Corp. with Orenda Engines,
Ltd., of Canada, for the production, sale and
further development in the U. S. of Orenda's
Iroquois jet engine, said to be the most power-
ful jet engine currently in existence.Described as capable of producing 30,000
pounds of thrust in its present stage of de-
velopment, the Iroquois engine with an after-
burner to augment power over short periods
of time could produce up to 25,000 pounds of
thrust. Officials of Curtiss and Orenda, which
is a subsidiary of A. V. Roe Canada, Ltd., said
they believe with further development work
the engine's thrust could be boosted to close
to 35,000 pounds.In contrast, Russia's TU-104 jet airliner gets
a reported 15,000 pounds of thrust from each
of its four jet engines. Also, Pratt & Whitney's
J-75 produces about 15,000 pounds of thrust,
while General Electric's J-79 turns out slightly
more than 10,000 pounds of thrust, although
smaller than P. & W.'s J-75.

Weight-Power Ratios

The Iroquois is a light-weight engine said
to produce from five to six pounds of thrust
for one pound of weight, which would put the
engine's weight at from 3,500 to 4,000 pounds.
In comparison, Curtiss' Zephyr jet engine,
which is being produced in cooperation with
Bristol Aeroplane Co., Ltd., of England, is said
to produce 12,500 pounds of thrust while weigh-ing 3,600 pounds, giving it about 3½ pounds of
thrust for each pound of weight.The Iroquois originally was developed by
Orenda to power the 1,600 mile an hour Arrow,
a new interceptor soon to be produced for the
Royal Canadian Air Force by Avro Aircraft
Co., also a subsidiary of A. V. Roe Canada.
Possibilities for the engine in the U. S. are
believed to include the Convair B-58 Hustler
bomber, reportedly powered by G.E.'s J-79
engine, the Martin Seamaster flying boat
and Republic's experimental F-105 supersonic
fighter.Under terms of the agreement with
Orenda, Curtiss will manufacture the Iroquois
engine at its plant in Wood-Ridge, N. J. No
starting production date was indicated. The
agreement, which runs seven years, also
provides for the exchange of technical infor-
mation between the two companies.

New Design Utilized

Charles Grinyer, vice president of Orenda,
said the Iroquois engine's design will utilize
the two-spool type of air compressor, which
is the section of the engine which sucks in
the air to be burned with the fuel mixture.
This is unlike G.E.'s J-79 design, which uses
a somewhat different concept but is similar
to Pratt & Whitney's J-75 and most other
jet engines. Also, the Iroquois will use titanium
metal in its construction, which G.E.'s J-75
does not.Roy T. Hurley, chairman and president of
Curtiss-Wright, said he would estimate the
arrangement with Orenda would make avail-
able to U. S. military aircraft an engine "for
all purposes three years ahead of schedules."
He also indicated the arrangement will reduce
the company's development costs by as much
as 50%.

Serrick Corp.

SERRICK CORP. reports for the fiscal year ended
June 30:

	1957	1956	1955
a-Earnings per Cl. B. shr.	\$2.18	\$2.38	\$1.48
b-Net sales	13,832,137	13,311,687	11,482,892
c-Net before income taxes	814,963	899,869	571,681
d-Federal income taxes	388,000	478,000	285,000
e-Net profit	426,963	421,869	286,681
f-Class B com. shares	192,847	183,431	174,641
g-After dividends paid on the Class A stock			

Interest exempt, in the opinion of Counsel, from Federal income taxes
under present laws, regulations and court decisions.

Moody's Rating: Aa

\$8,000,000

STATE OF COLORADO

3½%, 3.10% and 3.20% State Highway Fund

Revenue Anticipation Warrants, Series October 1, 1957

Dated: October 1, 1957

Due: January 1, 1959-1973

Subject to redemption, on 30 days' published notice, in inverse numerical order on January 1, 1958, or on any interest payment
date thereafter, at a price equal to the principal amount thereof with accrued interest to the redemption date.Coupon warrants in the denomination of \$1,000 each, not subject to registration as to
either principal or interest, January 1 and July 1 (first coupon January 1,
1958), and principal payable at the Office of the State Treasurer of the State of
Colorado, Denver, Colorado, or at The Chase Manhattan Bank, New York City.The warrants and interest thereon are payable solely from, and constitute a first lien upon, the revenues of the
State Highway Fund derived from motor fuel taxes, registration fees, and mileage taxes, subject only to the lien
created for payment of \$5,580,000 outstanding revenue bonds of the Denver-Boulder Turnpike, which have thus
far required no support from the State Highway Fund because of adequate Turnpike earnings.

MATURITIES, COUPON RATES AND YIELDS

Amount	Maturity	Rate	Yield	Amount	Maturity	Rate	Yield	Amount	Maturity	Rate	Yield
\$600,000	1959	3½%	2.60%	\$500,000	1964	3.10%	3.05%	\$500,000	1969	3.10%	3.15%
600,000	1960	3½	2.70	500,000	1965	3.10	3.05	500,000	1970	3.20	3.20
600,000	1961	3½	2.80	500,000	1966	3.10	3.10	500,000	1971	3.20	3.20
600,000	1962	3½	2.90	500,000	1967	3.10	3.10	500,000	1972	3.20	3.25
600,000	1963	3½	3.00	500,000	1968	3.10	3.15	500,000	1973	3.20	3.25

(Accrued interest to be added)

We offer these bonds when, as and if issued and received by us, and subject to the approval of all legal proceedings
by Messrs. Dawson, Nagel, Sherman and Howard, Attorneys, of Denver, Colorado. Such offering is not made
hereby, but only by means of the offering circular, copies of which may be obtained in any State in which
this announcement is circulated, from only such of the undersigned as are registered dealers and
are offering these securities in compliance with the Securities Laws of such State.

Eastman Dillon, Union Securities & Co.

Kidder, Peabody & Co.

C. J. Devine & Co.

Glore, Forgan & Co.

White, Weld & Co.

Hallgarten & Co.

Lee Higginson Corporation

Reynolds & Co.

Weeden & Co.

Gregory & Sons

Wallace, Geruldsen & Co.

King, Quirk & Co.

A. M. Kidder & Co., Inc.

First of Iowa Corporation

Tripp & Co., Inc.

John Small & Co., Inc.

Stern, Lauer & Co.

Allan Blair & Company

Supplee, Yeatman, Mosley Co.

Janney, Dulles & Battles, Inc.

September 30, 1957

Incorporated

Digest of Earnings Reports

A summary of corporation reports appears below. Further details of the larger and
more widely held companies appear elsewhere in this issue. Unless otherwise noted Federal
taxes have been deducted in arriving at net income.

Company	Period	1957	1956	1955	1954
Avco Mfg. Corp.	9 mos. Aug. 31	\$8,856,374	\$8,499,529	92	75
Beatrice Foods	Quar. Aug. 31	1,633,241	1,551,468	75	73
Beatrice Foods	4 mos. Aug. 31	2,896,980	2,772,788	132	129
Consolidated Foods	8 wks. Aug. 24	574,872	170,074	21	06
Continental Materials Corp.	6 mos. June 30	123,117			
Daily Machine Specialties	Year June 30	1,527,100	1,154,034	153	149
Ex-Cell-O Corp.	9 mos. Aug. 31	11,445,414	10,521,588	320	328
Gosard (H. W.) Co.	9 mos. Aug. 31	258,026	293,313	123	135
Gulf, Mobile & Ohio R.R.	8 mos. Aug. 31	1,804,349	8,055,281		
Lakey Foundry Corp.	9 mos. July 31	127,911	416,752	26	
Louisville & Nashville R.R.	8 mos. Aug. 31	13,138,643	16,325,155	561	498
Mueller Brass Co.	Quar. Aug. 31	342,428	345,384	61	101
Mueller Brass Co.	9 mos. Aug. 31	1,331,646	2,118,654	238	379
New York Telephone Co.	3 mos. Aug. 31	55,212,542	50,087,756		
Pacific Tel. & Tel.	3 mos. Aug. 31	25,480,642	24,083,359	1240	1274
Pacific Tel. & Tel.	12 mos. Aug. 31	97,542,883	85,814,348	1028	1058
Paymaster Consolidated Mines	Year June 30	623,007	85,177		
Philadelphia Electric	12 mos. July 31	35,642,409	34,737,488	2448	2553
Public Service of Indiana	12 mos. Aug. 31	14,763,153	13,415,528	286	243
Rutland Rwy.	8 mos. Aug. 31	168,314	240,252		
Serick Corp.	Year June 30	434,963	429,869	1218	1225
South Jersey Gas Co.	12 mos. Aug. 31	1,144,288	1,152,075	209	210
Texas Industries, Inc.	Quar. Aug. 31	251,603	117,291	23	10
TXL Oil Corp.	9 mos. Aug. 31	3,390,646	3,063,958	61	55
United Board & Carton	12 wks. Aug. 25	138,088	117,109	57	48
United Electric Coal	Year July 31	2,044,006	1,861,556	302	245
Western Development	Year June 30	1358,398	687,180		
Wood Newspaper Machinery	Year June 30	1500,808	437,739	184	163

(a) Based on shares outstanding at close of the period. (b) Based on average
number of shares outstanding during the period. (c) Based on shares now outstanding.
(d) Net loss. (e) On preferred shares. (f) Preliminary statement. (g) Adjusted to reflect
stock split or stock dividends. (h) Includes operations of Walter Scott & Co. from date of
acquisition on March 12, 1957. (i) Based on number of Class B shares outstanding at close
of the respective periods. (j) Includes special credit of \$2,363,193, equal to 26 cents a com-
mon share, resulting from adjustment of prior years' federal taxes. (m) Net loss exclu-
sive of \$16,000,000 reserve provided for discontinuance of a major part of company's appli-
ance operations. (n) Net loss after giving effect to \$202,210 charge-off of investment in
subsidiary.

Interest exempt, in the opinion of counsel, from all present Federal income taxation.

\$4,000,000

Madison Metropolitan Sewerage
District, Wisconsin

4%, 3.30% and 3% Bonds

Due serially October 1, 1961 to 1974, inclusive

These Bonds, to be issued for Sewerage Extension purposes, in the opinion of counsel will
constitute valid and legally binding obligations of the Madison Metropolitan Sewerage
District, payable from ad valorem taxes levied against all the taxable property therein
without limitation as to rate or amount.

Amount	Maturity	Rate	Yield	Amount	Maturity	Rate	Yield or Price
\$135,000	1961	4%	2.65%	\$330,000	1965-66	3%	2.85%
135,000	1962	4	2.70	560,000	1967-68	3	2.90
140,000	1963	4	2.75	805,000	1969-70	3	2.95
150,000	1964	3.30	2.80	865,000	1971-72	3	100
				880,000	1973-74	3	3.05

(accrued interest to be added)

Commodities

Price Trends of Tomorrow's Meals and Manufactures

Benson Sees Farmers Adjusting to Post-War Conditions; Price Index Fell a Bit in September

By a WALL STREET JOURNAL Staff Reporter
WASHINGTON—Agriculture Secretary Benson renewed his claim that farmers, while still facing serious problems, are beginning to readjust to post-war conditions.

He told the American Agricultural Editors' Association that farm income is rising, farm prices "are at the highest level they have been in the past three years," and farm assets are "at an all-time high." Surpluses are being cut, he declared, and exports have climbed to record levels.

Shortly after the Secretary spoke, the Agriculture Department reported the level of prices received by farmers fell in September for the first time in seven months. The index dropped one percentage point from 248% to 245% of the 1910-14 average, but still remained well above the 235% index of a year ago.

In his speech, the farm chief called for

basic changes in the nation's agricultural laws. Rigid supports and acreage controls, he contended, are not the answer to the farm problem. He said, however, that changes to bring more flexibility to the Government's power to fix prices must be made gradually so farmers can adjust to them.

"If the Congress should make substantial changes," Mr. Benson declared, "adjustments would be easier while the soil bank and the present surplus disposal program are available to ease the impact of adjustment."

He said farm study groups are already working on legislation which will be sent to Congress in January. One of the most important of these groups, the National Agricultural Advisory Commission, today begins two days of closed meetings which should have an important bearing on the Eisenhower Administration's farm recommendations for 1958.

The Secretary said the commission will consider, among other things, proposals for a two-price plan for rice, in which the crop would be supported at 90% of parity for domestic use but at a much lower level or not at all for export. He said no decision has been made on the idea, but he added: "If we do try the two-price plan, it seems best to try it on a commodity like rice which is produced in only four states rather than one like wheat which is produced nationwide."

The monthly price report, in addition to recording a drop in the level of prices received by farmers, also disclosed a slight boost in the level of prices farmers paid during September. The prices paid index moved up one third of one percentage point to 296% of the 1910-14 average, compared to 295% in August and 287% a year ago.

With the prices paid index going up and the prices received index going down, the parity ratio also fell slightly. The September index was 53, compared with 54 a month ago and 52 a year ago. The parity ratio is a method of balancing the prices farmers receive against the prices they pay.

Farm agency officials said there was "nothing

breath-taking" in the slight changes in the September index. They said lower prices for meat animals and vegetables accounted for the decline in prices received, while the prices paid index was carried upward by advances for clothing, auto and household supplies and building materials.

The Department of Agriculture reports Sept. 15 parity prices of principal farm crops compared as follows:

	Sept. 15, 1957	Aug. 15, 1957	Sept. 15, 1956
Wheat, per bu.	2.51	2.50	2.44
Cotton per lb.	37.00	35.83	35.56
Rice, per cw. lb.	5.77	5.75	5.51
Corn, per bu.	1.82	1.81	1.74
Peas, per bu.	1.87	1.86	1.73
Tobacco, per lb.	1.35	1.38	1.33
Potatoes, per bu.	2.48	2.46	2.44
Butterfat, per lb.	2.13	2.10	2.06
Milk, per cw. lb.	4.82	4.81	4.71
Wool, per lb.	654	653	614
Butter, per lb.	1.36	1.36	1.35
Condensed, per ton	71.90	71.70	70.90
Flaxseed, per bu.	4.58	4.54	4.51
Onions, per lb.	87.3	87.3	87.3
Rye, per bu.	1.86	1.87	1.78
Soybean, per bu.	3.62	3.61	3.53
Barley, per bu.	2.25	2.25	2.19
Calves, per cw. lb.	24.00	24.00	23.75
Chicken, live, per bu.	238	235	237
Hogs, per cw. lb.	21.80	21.80	21.80
Lambs, per cw. lb.	24.00	24.00	23.80
Turkeys, per lb.	19.10	19.10	19.10
Turkeys, per lb.	37.3	37.2	36.5

American Stock Exchange Transactions

Friday, September 27, 1957

VOLUME, 570,000 SHARES

SINCE JANUARY 1

1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	716	715	714	713	712	711	710	709	708	707	706	705	704	703	702	701	700	699	698	697	696	695	694	693	692	691	690	689	688	687	686	685	684	683	682	681	680	679	678	677	676	675	674	673	672	671	670	669	668	667	666	665	664	663	662	661	660	659	658	657	656	655	654	653	652	651	650	649	648	647	646	645	644	643	642	641	640	639	638	637	636	635	634	633	632	631	630	629	628	627	626	625	624	623	622	621	620	619	618	617	616	615	614	613	612	611	610	609	608	607	606	605	604	603	602	601	600	599	598	597	596	595	594	593	592	591	590	589	588	587	586	585	584	583	582	581	580	579	578	577	576	575	574	573	572	571	570	569	568	567	566	565	564	563	562	561	560
------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

The Dow-Jones Averages

HIGH
CLOSE
LOW

Abreast of the Market

EDITED BY OLIVER J. GINGOLD

A Stock Market Appraisal

The bears made hay last week and selling broadened to take the railroad average down to a new low since 1954. The industrial average got some show of support in the area of the closing low of the year of 454.82 registered last February 12. However, the Street remained bearish in the main and bargain hunters were few and far between.

There was little buying for large portfolios although some buying appeared where yields have begun to look attractive. Brokers assert many of their clients have become most "yield conscious," undoubtedly spurred by a 4% U. S. Government bond on the market as well as a 7% Bank of England rate.

As the list declines more stocks are getting into the 6% and 7% yields category and if all bearish predictions are at least partly justified, there will be some fairly attractive equities yielding more than 7%, assuming dividend rates are maintained. Brokers believe when and if this occurs there will be strong support for many stocks in these yield categories.

So-called income stocks have not been as popular as "growth" stocks in recent years but brokers say the former are coming into their own and will be to the fore in future buying movements. Naturally, extra investigation is required when buying stocks which move into the "high yield" category as the possibility of reduced earnings and perhaps anxiety in regard to maintenance of the dividends must be considered.

News has at best been negative and in the Street's present mood it is easily read bearishly. Certainly, the budget of good business news, which was expected after Labor Day, has not developed as yet. Factors in the selling include the Bank of England's boosted rate and the apparent difficulties inherent in all the western European nations' currencies; tight money policies here, reductions of backlogs in many industries and apparent over production here and there at least for the time being. For the rest, commodities have been easier and copper metal continues to be weak but brokers interested have been scale-down buyers of copper shares in recent sessions and at least one big portfolio is in process of replacing some of its non-ferrous metal shares sold nearly two years ago. Of course, the political implications of the Little Rock School situation and the doubtful status of Syria are not helpful where bulls are concerned.

On the other hand general business is still at a high level and brokers expect a good crop of year-end dividends as well as a good Christmas retail trade. Most potential institutional buyers of equities remain on the sidelines but are not sellers.

Last Week's Market—

All three Dow-Jones averages fell last week on the New York Stock Exchange. Industrials dropped 2.46% and utilities slipped 1.12%. Rails were again the biggest losers, falling 3.39% for their ninth consecutive week of decline. Volume of 12,650,000 shares was up 4,470,000 from the previous week and 2,852,000 above the like 1956 period.

Stocks of major insurance companies lost ground sharply in moderate trading, dealers reported. Among life companies, Aetna Life was off 1/8, Connecticut General off 1/16, Lincoln National off 7/16, and Travelers off 1/16. In the fire company category, American Insurance

Food Machinery Sales Rising, Net Steady

Food Machinery & Chemical Corp. is headed for its best volume year and expects to earn as much as the record \$15.8 million net income of 1956, Ernest Hart, president, told this newspaper. Per share net may be under last year's \$4.72, however, as now there are about 100,000 more shares outstanding. Sales are running about 5% ahead of 1956 and for the full year appear likely to be 5% to 6% above last year's record \$302,156,000.

Profit margins have suffered this year from a delay in the major program, started last year, to modernize and expand the chlorine and caustic soda facilities of the important Westvaco chlor-alkali division at South Charleston, W. Va.

United Carbon Sees 3rd Quarter Net Up Slightly

United Carbon Co.'s net for the third quarter this year is expected to be slightly better than the \$1.9 a share earned in the like period of 1956. S. C. Coleman, chairman, told The Wall Street Journal. Dollar sales for the period have been running about even with a year ago, he said. Carbon black sales have been ahead of 1956 and there also has been a pick-up over last year in synthetic rubber sales. Both have benefited from firm prices. Natural gas sales have been about even with last year while the oil business has been off somewhat due in part to lower production allowances by state regulatory authorities.

Marshall Field Sales, Earnings Turn Upward

Net income of Marshall Field & Co. in the three months ending October 31 is likely to exceed the 88 cents a share of the like period of last year, ending the earnings decline of the first half, James L. Palmer, president, said in an interview, and "it could be more than a slight increase." The prediction stems from an upsurge in sales in the past six weeks, he added.

Field's third quarter-sales last year totaled \$31.5 million. In the first half of this year, sales amounted to \$34 million, up from \$27.9 million in the like period of 1956. However, the company opened two new stores last fall and first half sales gains were below expectations. Mr. Palmer said poor shopping weather in the spring and early summer was a major factor in this "disappointing" showing and the resultant decline in earnings in the first half to 85 cents a share, from \$1.02 a share in the like period of fiscal 1957.

Cunningham Drug Sees Gains for Fiscal '58

Cunningham Drug Stores, Inc., expects to report higher sales and net for the year ending September 30 than in fiscal 1956, when \$4.06 a share was earned on volume of \$45,539,394. Ches B. Larsen, president, said in an interview. Increases, he added, "will be on a par" with those for the nine months ended June 30, when net climbed to \$3.08 a share from \$2.94 a share a year earlier and sales rose to \$35,262,105 from \$34,531,797. During fiscal 1958, Mr. Larsen added, sales "will be slightly better" and earnings "will at least be equal" to those expected for the current fiscal year. Cunningham Drug does not expect a proportionate increase in earnings, he explained, because of the increasing cost of doing business.

The concern now has 190 drug stores in op-

MARKET DIARY

Issue traded	Fri.	Thur.	Wed.	Tues.	Mon.	Fri.
Advances	1,119	1,197	1,190	1,194	1,213	1,175
Declines	343	369	354	379	31	126
Unchanged	118	97	86	389	863	853
New highs, 1957	1	6	10	1	1	4
New lows, 1957	69	179	227	189	351	187

DOW-JONES CLOSING AVERAGES

	1957	Change	1956	Change
Industrials	454.82	-0.12	454.82	-0.12
Railroads	134.12	-1.35	134.12	-1.35
Utilities	68.88	-0.15	68.88	-0.15

of Newark was off 1/4, Federal Insurance off 1/4. Firemen's Fund of San Francisco off 1/4 and National Union Fire off 1/4. Among casualty stocks, Continental Casualty was off 4, and Aetna Casualty off 1.

Major New York City banks also felt the weight of the general stock market sell-off.

Heard on the Street—

Champion Paper & Fibre has experienced a slight improvement in business in recent weeks which, if it continues as expected, will enable the company in the second half of the year to end March 31 to improve on anticipated results for the first six months. In the period just ending net is believed to have dipped to around \$1.40 a share from \$1.42 in the first half of fiscal 1957 and volume is understood to have been little changed from the \$84,709,135 sales chalked up in the similar interval a year ago. For all fiscal 1957 the company earned \$3.14 a share on volume of \$168,357,480.

Cincinnati Gas & Electric is expecting 1957 net in the neighborhood of \$1.95 or \$2.05 a share, depending in part on how gas sales are influenced later in the year by weather in its service territory, from \$1.99 last year. Pacific Industries (Pacific Corp.) expects to increase net in the year to end next August 31 to between \$1,500,000 and \$2,000,000, equal to between \$1.50 and \$2 a share, from the \$700,000, or 70 cents a share, expected soon to be reported for fiscal 1957, according to Donald D. Smith, president. The company, four of whose seven operating divisions were acquired during the year just ended, has an income tax carry forward of \$3,190,000 growing out of losses incurred in 1953-56.

Market Views—

OPINION: A. M. Kidder & Co.: "While we cannot be confident that selling has been completed, we believe that the market has entered an area in which stocks can be bought for worthwhile appreciation between now and the end of the year." Walter G. Bernthal of Flor, Bullard & Smyth says department store stocks acted well in the sell-off, adding: "Retail trade continues to flourish and the Christmas trade should be one of the best in years." G. M. Loeb of E. F. Hutton & Co.: "Now that the reasons for stock weaknesses are out in the open for all to read, it is a fair question to ask whether stock prices are down sufficiently to discount the situation. No one can answer this for certain because a great deal depends on the direction the fundamentals take from this point. I think that one way or another it will take time to correct both the fundamentals and the technical situation."

ANALYSIS: Freshling, Meyerhoff & Co., Chicago, has a brief on Hoffman Electronics Corp. . . E. F. Hutton & Co. has a brief on Gulf Oil. . . Bache & Co. has an analysis of Bucyrus-Erie.

INDUSTRIALS

JUNE JULY AUGUST SEPT.

14 21 28 5 12 19 26 2 9 16 23 30 6 13 20 27



RAILROADS

JUNE JULY AUGUST SEPT.

14 21 28 5 12 19 26 2 9 16 23 30 6 13 20 27



UTILITIES

JUNE JULY AUGUST SEPT.

14 21 28 5 12 19 26 2 9 16 23 30 6 13 20 27



Daily Volume

JUNE JULY AUGUST SEPT.

14 21 28 5 12 19 26 2 9 16 23 30 6 13 20 27



Following are the Dow-Jones averages of industrials, railroads and utility stocks with the total sales of each group for the period indicated:

Time										Share	
Date	Open	11	13	1	3	Close	Change	%	High	Low	Share
INDUSTRIALS											
Sept. 27	457.87	458.90	460.00	460.54	460.30	456.09	+ 0.13	- 0.01	462.40	454.30	239,400
Sept. 26	458.79	457.41	463.37	458.68	460.34	457.81	+ 0.00	+ 0.00	460.00	455.96	239,400
Sept. 25	463.79	462.49	469.27	458.35	456.10	460.99	- 0.90	- 1.20	462.19	462.19	365,400
Sept. 24	460.37	460.37	459.79	463.37	461.49	458.99	+ 0.13	- 0.01	462.40	454.30	239,400
Sept. 23	462.84	464.94	464.97	462.73	460.00	458.36	+ 0.48	- 0.20	465.97	467.13	365,400
RAILROADS:											
Sept. 27	132.53	132.97	134.17	132.97	134.06	134.13	+ 1.20	+ 1.00	134.83	132.90	118,400
Sept. 26	132.53	132.97	132.97	132.97	132.97	132.87	+ 0.30	+ 0.18	134.34	131.36	118,400
Sept. 25	133.96	132.31	134.80	134.11	132.01	132.63	- 2.41	- 1.80	135.51	131.84	84,400
Sept. 24	134.79	134.79	134.79	134.79	134.79	134.79	+ 0.00	+ 0.00	134.79	134.79	118,400
Sept. 23	137.79	136.80	136.16	135.78	135.23	134.36	- 4.13	- 3.01	137.94	133.66	103,400
UTILITIES:											
Sept. 27	68.88	68.83	67.97	67.08	67.05	68.88	+ 0.35	+ 0.52	67.40	66.84	304,400
Sept. 26	68.79	69.07	68.73	68.91	68.85	68.73	+ 0.12	+ 0.10	67.10	66.81	304,400
Sept. 25	67.10	67.16	67.16	66.80	66.80	66.81	- 0.63	- 0.98	67.30	66.41	258,400
Sept. 24	67.67	67.67	67.67	67.67	67.67	67.33	- 0.38	- 0.57	67.67	66.80	258,400
Sept. 23	67.33	67.18	67.38	67.17	67.08	66.83	- 0.79	- 1.17	67.54	66.43	263,400
STOCK COMPOSITE AVERAGE:											
Sept. 27	156.74	156.73	157.73	157.63	157.58	156.81	+ 0.37	+ 0.24	156.40	155.83	354,400
Sept. 26	157.04	156.53	157.33	155.80	156.44	156.44	+ 0.10	+ 0.00	157.77	155.91	354,400
Sept. 25	158.27	158.42	157.84	157.90	156.35	156.41	- 1.20	- 1.30	158.74	155.04	317,400
Sept. 24	157.83	156.30	157.43	157.93	156.49	156.49	+ 1.17	+ 0.74	158.67	156.59	369,400
Sept. 23	156.10	156.10	156.10	156.10	156.10	156.10	+ 0.00	+ 0.00	156.10	156.10	369,400

Steel Makers Expect 1957 Production to Exceed 1956; Orders for Fabricated Structural Fall to 4-Year Low

Poll of Market Researchers
Puts Average 4th Quarter
Operating Rate at 86.5%

BY EDWARD J. LALLY
Staff Reporter of THE WALL STREET JOURNAL

PITTSBURGH—The steel business is moving along in a rut that's disappointing many producers, but the industry's leading market authorities are betting on a fourth quarter comeback which they believe will lift production above last year and close to 1955's record.

An organized poll taken among commercial research executives of more than a dozen big steel companies turned up fourth quarter operating rate predictions that ranged from 81% to 89% and averaged around 86.5%.

That's four percentage points higher than last week's scheduled production rate and nearly six points above the average of the third quarter to date.

The same poll, it has been learned, brought estimates from the market authorities that the year's output would range from about 114,500,000 tons to more than 117 million. The average was understood to be a little over 115 million tons, a total which would surpass 1956 production of 113 million tons but fall some what short of 1955's peak 117 million.

Companies producing about 90% of the nation's steel were understood to have participated in the poll.

The results showed that at least in the views of the men whose main job it is to study, evaluate and predict steel market conditions, the steel business isn't going to be quite as bad as some recent events have indicated, nor as good as the market officials themselves previously thought it would be.

Few if any steel men attempt to conceal any longer their disappointment over the failure of orders to pick up satisfactorily from the summer doldrums, or the inability of the steel rate to move out of the groove it has been in since the first of July. In the 13 weeks that have elapsed since then, operations have held in the range of 78.5% to 82.5%, the latter the scheduled rate for last week.

Sharp and widespread breaks in the steel scrap market, particularly in the past week or two, have deepened the feeling that ingot production isn't going to bounce back merrily to the high 80's or low 90's that made up many of the predictions of a few months ago.

Differences of Opinion

But differences exist even among executives in individual companies on the prospects for the next several months. Generally agreed, though, is that the steel buyer is dominant and that he is convinced he can get all the steel he needs simply by "pushing a button," as one mill man here put it.

"The present period is marked by mixed emotions on the part of steel men," said a district producer. "A lot of people feel that 115 million to 116 million tons will be the year's output. Yet others, who don't see the orders,

can't see that much production. Even within our own organization there's a great deal of controversy."

Another steel maker, while professing optimism for November and December, said the present market "is not jelling as we expected." "Automotive steel buying is the key," he said, "but we did expect the auto people to order more than they have so far. They're counting on quick deliveries (of steel) and keeping their inventories low."

A Few Items Still Tight

Only exceptions to the plentiful supply situation are wide flange beams, among the structural steels, and heavy steel plates. Mills expect those products to remain tight at least through the balance of the year, although one producer said he "wouldn't be surprised" if heavy inventories were being built up in both items.

Mills, some with extensive stocks of semi-finished steel built up, are geared to make quick deliveries on most other products. "All lead times (the period between the placing of an order and delivery) are cut to the bone," remarked a steel sales executive.

The listlessness in steel has carried over into the steel scrap market and has been magnified there. Scrap dealers the country over are withering in a dry spell of mill scrap buying. The mills just aren't interested in dealer scrap for the time being. They say they have plenty of scrap in their own yards to sustain furnace operations at the current rate, and are getting in sufficient scrap from their own or customers' plants to replace losses.

In addition, many steel producers are using greater charges of iron in steel making furnaces. Iron output from blast furnaces has been maintained this year at a higher rate than the open hearths which make steel.

Scrap Prices Drop

In the absence of open market scrap purchasing by the mills, scrap prices dropped in various steel centers last week on the basis of sales of auto factory scrap to dealers. High grade No. 1 industrial bundles plummeted in Pittsburgh to between \$42 and \$47 a ton from a price of around \$58 the month before. Declines in industrial scrap prices also occurred in Cleveland, Detroit and other cities.

Scrap men keep close eyes on the steel operating rate for indications of possible improvement in their business, but there's not likely to be much to cheer about this week on that score, at least in the Pittsburgh and Youngstown districts.

Pittsburgh steel production is scheduled at 84.7%, down from last week's actual rate of 85.1%.

In Youngstown, with two more open hearths taken out of production, the rate is expected to slip to 75% from the 76%-77% of last week.

National Airlines Says New Planes Will Aid Profits in Fiscal '58

Carrier's Four-Engine Fleet Will
Be Increased by 50% for Winter
Season, Official States

By a WALL STREET JOURNAL Staff Reporter
NEW YORK—New aircraft to be put into service within the next few months are expected to help raise fiscal 1958 earnings of National Airlines, Inc., above fiscal 1957, Alexander G. Hardy, senior vice president, said at a press luncheon.

Earnings are expected to respond to the addition of more passenger space when 10 new airplanes go into use, Mr. Hardy explained. National earned \$3,123,499, or \$3 a share, on operating revenues of \$58,823,471 in the fiscal year ended June 30.

Under its present expansion program, Mr. Hardy noted, National will increase its four-engine fleet by 50% by the heavy winter tourist season. The airline already has received commitments for more than \$30 million in bank loans to finance part of its \$115 million expansion program, he said.

Mr. Hardy said he could not forecast first quarter earnings because of the present strike of airline agents against National. However, he said earnings for the first two months of the quarter were ahead of the year-earlier period. National earned 33 cents a share in the first quarter of fiscal 1957.

"Our future for this winter looks good," Mr. Hardy said. Bookings on the New York to Miami route currently are about 15% ahead of this time last year, an official noted. Mr. Hardy also said National operated in the black during the past summer. The company had been losing money in the summer on its routes to Florida.

Mr. Hardy expressed confidence that National's application to the Civil Aeronautics Board to extend its service into the Chicago-Detroit-Pittsburgh-Cincinnati area would be approved. He also said the airline's present expansion plan puts it in "an excellent position" to serve that area. National's present routes are predominantly along the East and Gulf Coasts.

National is basing its plans for the future on present air rates, Mr. Hardy said. Although he said "we would certainly take it if we could get it," he added that National is not one of the better examples of an airline that needs a rate increase. National has not applied for a rate hike, he noted.

NATIONAL AIRLINES, INC.: Pamphlet report for the fiscal year ended June 30:

	1957	1956	1955
Earnings per share	\$3.00	\$4.14	\$2.81
Operating revenues	\$6,823,471	\$5,468,848	\$6,616,468
a-Net before taxes	5,298,499	8,335,410	8,256,278
Income taxes	2,793,000	4,452,243	3,385,300
Net before special charge	3,123,499	4,492,367	3,073,778
Net income	3,123,499	4,300,143	3,073,778
b-Special charge			
a-Includes profit on sale of capital assets (net) of \$4,823 in 1957, \$25,215 in 1956 and \$120,757 in 1955.			
b-Represents adjustment of mail pay for prior years, less taxes.			
Balance sheet items of National Airlines, Inc. follow:			
June 30, '57 a-June 30, '56 June 30, '55			
Cash	\$4,042,455	\$4,857,722	\$7,409,335
U.S. Govt securities	1,293,759	6,235,977	2,000,000
Current assets	17,079,814	16,643,606	14,383,648
Current liabilities	10,482,399	11,732,385	9,640,163
Long-term debt	6,654,531	9,100,419	9,296,000
Capital shares	1,044,177	1,837,953	1,022,077
a-Revised by company.			

Business Loans Rise in West

SAN FRANCISCO—The sharpest weekly rise reported this year by Twelfth District member banks pushed industrial and commercial loans outstanding to \$4,555,000,000, a new record, the Federal Reserve Bank of San Francisco reported.

Corporate tax payments due September 15 may account in part for the \$87 million increase in business loans outstanding on September 15, the Federal Reserve Bank said.

August Bookings Trailed '56
By 38% and 8-Month Total
Is Down 23%

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Orders for fabricated structural steel in August continued their sharp decline below year-earlier levels to the lowest monthly level since the fall of 1953.

New orders for the first eight months this year are running 23% below the similar period of 1956, according to the American Institute of Steel Construction. Checks with steel makers and fabricators indicate the main reason for the drop is curtailed construction of industrial plants.

In August, new bookings fell more than seasonally to 167,083 tons, 33% below August, 1956, the sharpest monthly decline from year-ago levels so far this year and the eighth straight drop from year-ago marks in 1957.

Shipments Hold Above '56 Totals

At the same time, however, shipments of structural, a key item in all heavy construction, are well above those of last year. In August, shipments rose to a record 335,133 tons, and for the first eight months totaled 2,454,737 tons, 17% higher than the 1956 total for the similar period.

The result has been a continued slimming of order backlogs of steel available for fabrication to 2,962,000 tons, or 4% below last August. This contrasts with the backlog level last June, which stood 13% above June, 1956, at 3,219,908 tons, and the May level of near 3,400,000 tons.

A typical opinion, expressed by W. F. Sheetz, president of Mahon Co., a Detroit fabricator, related that industrial building has "just about dried up" but bridge work, the other major activity his firm engages in, is holding up at about last year's levels. Like many fabricators, including some of the largest steel makers, Mr. Sheetz expects next year to bring increased orders as the Federal highway program passes the engineering stage.

Competition Gets Keener

Says an official of Allied Structural Steel Co., Chicago: "Competition among fabricators is getting keener. Profit margins are a lot closer now than at this time last year. We haven't passed on all of the steel price increase of July 1."

In addition to a drop in plant construction, officials of two of the largest steel producers said they noticed declines in steel going to builders of freight cars and railroads, and warehouse fabricators' inventories as well as

some weakness in new apartment house and office building construction in areas outside of the Eastern seaboard.

While no producer or fabricator queried indicated a quick change in the pattern of bookings for structural steel, some felt road building next year will reverse the trend. The American Road Builders Association figures only 55%, or \$990 million of the \$1.8 billion of Federal and state funds obligated in fiscal 1957 to June 30 went to dig, pave and build bridges on new highways. But this fiscal year, \$1.9 billion will be available and almost \$1.2 billion will go into construction contracts, a jump of over 20%. The rest of the money goes into planning, blueprints and land acquisition.

Most of the structural steel makers' and fabricators' woes derive from the drop in plant construction. For the first seven months of this year, factory building fell 9% from a year earlier, to \$1.4 billion, according to F. W. Dodge Corp.

Shipments to Rise This Year

But with other heavy construction projects running well ahead of last year, and a heavy backlog built up over the last year still to be worked off, the American Iron & Steel Institute estimates shipments of heavy structural shapes this year will approximate 6,700,000 tons, a 25% gain over the total last year.

These gains reflect the expansion of steel mill capacities in the items used by builders. Bethlehem Steel Corp., for example, has finished a program that doubles its capacity for producing structural to 210,000 tons a month while Inland Steel Co. is planning to expand its capacity for wide-flange steel beams from 22,000 to 28,000 tons monthly to about 34,000 tons by the end of next year.

The construction industry — not including gas and oil industry construction — is the third largest customer of the steel mills in the U. S., according to industry figures, and buildings and road work are second largest end use of steel. The automobile makers are the biggest users, taking 23% of total 1956 domestic shipments of finished steel. Warehouses are second, taking 17% and construction third with about 15%. But significant amounts of steel shipped to warehouses is bought by contractors and builders.

Beside structural shapes, mostly columns and beam, builders use concrete reinforcing bars and wire, plates, pipe and piling. Shapes and piling, a spokesman for the American Institute of Steel Construction said, amount to about 7% of the 79.6 million tons of steel shipped last year in the U. S.

First Security Corp.

WASHINGTON — The Federal Reserve Board approved the acquisition by First Security Corp., Salt Lake City, of Union Bank & Trust Co., there.

First Security, a bank holding company, had to obtain the Board's approval before it could acquire the 21,000 outstanding Union Bank & Trust shares.

GE Unit Boosts Its Phenolic Compound a Cent a Pound

NEW YORK—General Electric Co.'s Chemical Materials department announced it is raising its price one cent a pound on phenolic molding powders, industrial resins and laminating varnishes.

The increase will become effective with shipments on and after November 1, S. L.

Brous, manager of the department, announced in Pittsfield, Mass.

Phenolic compounds, used in molding such plastic items as electrical switchgear, automotive ignition systems, and appliance and machinery parts, will cost 2 1/2 cents a pound for standard, general purpose grades in truckload quantities.

Mr. Brous said the price boost was caused by "the continually rising costs of containers, transportation, labor and other required raw materials."

Sales Executives

Market Research Director

A new position requiring experience with proven ability in developing merchandising recommendations as well as research activities.

Fleet Sales

Extensive experience necessary in selling high dollar volume products to top management.

Regional Sales Manager

Requires several years experience in retail and distributor-dealer selling.

Aviation-flying experience preferred.

Cessna

Write Professional Placement Supervisor,
CESSNA AIRCRAFT COMPANY,
5800 East Pawnee Road, Wichita, Kansas

AN ENVELOPE FOR EVERY PURPOSE

• Commercial
• All Sizes
• Postage Saver
• Window
• Catalogue
• Air-mail
• Booklets
• Booklets
• AND MANY MORE!

BUY DIRECT and SAVE!

Thermography Specialists Letterheads and Envelopes to Match
FREE! BEAUTIFUL CARD HOLDER
1000 BUSINESS CARDS
These cards are feature-weight, with raised printing. Black ink only.
Send check with your order. 3% Sales Tax in N.Y.C. only.
59¢ per 1000
In 3000 lots - FOB, N.Y.C.
Quotations for larger quantities on request

ACCURATE ENVELOPE COMPANY INC.

2002 Reed's St., New York 7, N. Y. • Phone BEA'man 3-5250

STEVENSON, JORDAN & HARRISON INC.

MANAGEMENT ENGINEERS
REPORTS • SURVEYS

Advice on Management Problems and actual Management of Industrial Companies
19 West 44th St., NEW YORK
Hanna Bldg. 205 W. Wacker Dr. CHICAGO
CLEVELAND

Engineering and Economic Studies

• Analysis of existing facilities
• Merchandising, warehousing and distribution
• Material handling
• Plant layout
• Plant location

THE AUSTIN COMPANY
Engineers and Builders, Cleveland
17 Offices Coast to Coast and in Canada

James P. O'Donnell CONSULTING ENGINEER

Professional Engineering for the Petroleum and Process Industries
30 Broadway, New York 6, N. Y.
Bismarck, Texas

codex CHART PAPERS

• FOR BUSINESS-ENGINEERING-RESEARCH
• PRECISION RULINGS • SAME DAY SHIPMENT
• WRITE FOR INFORMATION AND SAMPLES
CODDEX BOOK CO., NORWOOD 8, MASS.

COMBUSTIKATOR

The Traveling Activated Porous Fuel Bed
Continuous Ash Discharge (Automatic) Stoker System
Burns All Combustible Solids FASTER!
All Combustible Solids FASTER!
ANTONIO COMBUSTIKATOR ENGINEERS
507-AMERICAN COAL BURNER & WOOD STOKER CORP.
1132 W. Cuyahoga Ave. Chicago 12, Ill.

ROBINS

General Contractors • Engineers
BIRMINGHAM, ALABAMA

LEWIS C. BOWERS & SONS INC.

BUILDING
DESIGN • ENGINEERING • CONSTRUCTION
EASTERN U. S. A.

HUNTING, LARSEN & DUNNELLS, INC.

ENGINEERS
CENTURY BUILDING
PITTSBURGH 22, PA.

• Industrial Plants
• Warehouses
• Office
• Commercial Buildings
• Laboratory Buildings
• Design
• Supervision
• Reports



Rivers of bleach with banks of glass

Glass bottles were once so rare that their use was reserved by law for the fragrant perfumes of the queens of Egypt. Today, vastly superior glass containers form the "banks" of the rivers of bleach . . . estimated at 60,000,000 gallons . . . that yearly flow through home and commercial laundries.

Glass, again, provides the one ideal container. Unlike other materials, it doesn't react chemically with bleach.

The dark glass used prevents natural or artificial light from robbing bleach of its strength, yet permits the level of content to be seen immediately.

Columbia-Southern chemical products work to shape these handy tools for cleaner, brighter everyday living. High purity soda ash is used by the ton to make glass. Chlorine and sodium hypochlorite are consumed in volume in bleach manufacture. These and other

Columbia-Southern "workhorse" alkalis condition our surroundings daily.

COLUMBIA-SOUTHERN CHEMICAL CORPORATION

SUBSIDIARY OF PITTSBURGH PLATE GLASS COMPANY
ONE GATEWAY CENTER • PITTSBURGH 22 • PENNSYLVANIA



CHLORINE, ALKALIES AND RELATED CHEMICALS
Offices in Principal Cities
IN CANADA: Standard Chemical Limited and its Commercial Chemicals Division